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REPORT

OF THE DURHAM CITY-COUNTY CHARTER COMMISSION

November, 1960

Albert W. Kennon, Chairman
George Watts Hill, Vice Chairman
Charles Cheek, Secretary-Treasurer

Willis H. Aldridge
R. W. Grabarek
W. A. McFarland
S. LeRoy Proctor

Dewey Scarboro
Mrs. Mary Trent Semans
J. S. Stewart
W. J. Walker, Jr.

Dr. Robert S. Rankin, Special Advisor

Durham, North Carolina
30 November 1960

To the members of the Durham County Board of Commissioners, the Durham City Council, and the citizens of Durham and Durham County:

We transmit to you herewith a three-part Report of the Durham City-County Charter Commission, concerning the proposed revision of the local governmental structure in Durham County.

The Commission, as you will recall, was created in 1959 pursuant to an act of the General Assembly of North Carolina, for the purpose of studying governmental problems in the county and recommending solutions. In order to ensure representation of the various interests in the county, its membership was specified as including four members appointed by the Board of County Commissioners, of whom two would be members of that Board; four members appointed by the City Council, of whom two would be members of the Council; and three members chosen by the unanimous vote of the other eight members.

The Board of County Commissioners designated S. LeRoy Proctor and Dewey Scarboro from its membership and appointed Albert W. Kennon and Willis H. Aldridge as citizen members. The City Council designated Dr. Robert S. Rankin and R. W. Grabarek from its membership and appointed Charles Cheek and Mrs. Mary Trent Semans. These eight then chose George Watts Hill, W. A. McFarland, and W. J. Walker, Jr., as the final three members.

Dr. Rankin was elected chairman, Mr. Kennon vice-chairman, and Mr. Cheek secretary-treasurer, at the organizational meeting of the Commission. When Dr. Rankin was appointed to the federal Commission on Civil Rights this summer, he resigned from this Commission, but very kindly agreed to serve as a special advisor. J. S. Stewart was thereupon designated by the City Council to replace Dr. Rankin, and Mr. Kennon was elected chairman and Mr. Hill vice-chairman.

We believe that this report, climaxing more than a year of study and deliberation, represents one of the most comprehensive examinations of a local government which has ever been undertaken by a citizens group. This thoroughness is a tribute to the splendid work of the Institute of Government of the University of North Carolina.

The Commission had first to determine the functions of government to be studied. From that point on the staff of the Institute of Government spared no effort to bring out all of the facts and to present them in a

form and style consistent with the relative importance of each function. The job of these technicians would have been difficult enough if our deliberations had been based only upon constitution and law. How much more difficult the job became with financial, political, geographical and historical considerations being brought into the picture! The results of our deliberations are contained in this report and in the Charter which would provide the foundation of unification.

Regardless of the decision of the voters as to unification, the work done by the Institute of Government will be of great value to Durham's administrative officials. Therefore, as citizens of Durham as well as members of this Commission, we express our gratitude to: Albert Coates, Clyde Ball, Marion Benfield, Robert Byrd, George Esser, Neal Forney, Philip Green, Roy Hall, Donald Hayman, Milton Heath, Henry Lewis, Roddey Ligon, Catherine Maybury, Royal Shannonhouse, Robert Stipe, and Jake Wicker, for a thorough job well done.

The Commission has been unanimous in arriving at the decisions embodied in this report, and we earnestly request that you give careful consideration to its recommendations.

Respectfully submitted,

Albert W. Kennon, chairman
George Watts Hill, vice chairman
Charles Cheek, secretary-treasurer
Willis H. Aldridge
R. W. Grabarek
W. A. McFarland
S. LeRoy Proctor
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Respectfully submitted,

Albert W. Vernon, chairman
George Watts Hill, vice chairman
Charles Cheek, secretary-treasurer
Willis E. Aldridge
R. W. Graham
W. A. McFarland
S. Leroy Proctor
Dewey Scarboro
Mrs. Mary Trent Semans
J. S. Stewart
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Part One

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INTRODUCTION

"There is a tide in the affairs of men
Which, taken at the flood, leads on to fortune;
Omitted, all the voyage of their life
Is bound in shallows and in miseries.
On such a full sea are we now afloat;
And we must take the current when it serves,
Or lose our ventures."
--William Shakespeare, Julius Caesar, Act IV, Scene 3.

The people of Durham and Durham County stand today at such a full tide in their history. With the welcome impetus of the Research Triangle, they face their greatest opportunity in the Twentieth Century for growth, sound development, and prosperity. But this opportunity may be lost forever if the local governments in the area are not prepared to handle the anticipated development.

The Durham City-County Charter Commission was created by an act of the 1959 General Assembly of North Carolina (Sess. Laws, 1959, c. 696), with the duty of "studying the operations of city and county government to determine whether the effectiveness of local government can be increased through changes in the structure of city and county government, and to submit a plan for changes in the structure of local government to the voters of the City and County of Durham."

For the past two years we have made such studies, and we are now prepared to present such a plan to the voters. We have carefully studied present operations of the city and county governments. We have examined the experience of similar areas in other parts of the country. We have discussed the constitutional, statutory, and financial problems which would be presented by each of a multiplicity of proposed reorganizational plans.

INTRODUCTION

In the first part of our study we organized the commission into seven subcommittees, each of which was charged with making a thorough examination of a particular governmental function. These subcommittees and their members were as follows: Public Utilities, Albert W. Kennon (chairman), R. W. Grabarek; Law Enforcement, Willis H. Aldridge (chairman), W. A. McFarland, Charles Cheek; Recreation, Dewey Scarboro (chairman), Mrs. Mary Trent Semans; Fire Protection, R. W. Grabarek (chairman), W. A. McFarland, W. J. Walker, Jr.; Library, Mrs. Mary Trent Semans (chairman), Willis H. Aldridge, S. LeRoy Proctor; Planning and Zoning, George Watts Hill (chairman), W. J. Walker, Jr., S. LeRoy Proctor; Finance and Taxation, Charles Cheek (chairman), R. W. Grabarek, Albert W. Kennon, Dewey Scarboro, George Watts Hill. The reports to the commission of the findings and recommendations of these subcommittees proved very useful as we made our ultimate decisions.

Throughout our study we have been assisted by the staff of the Institute of Government in Chapel Hill. In addition to counseling with us and drafting the proposed charter provisions for the new government, these staff members have presented 21 formal reports, totaling over 1,000 pages in length (plus a 316-page County Code) and covering every facet of the problem before us. Because it is impossible to include in a single report all the factors bearing on a subject of this complexity, we invite interested persons to examine the Institute of Government reports listed below for more detailed information concerning particular subject matter.

Over-all Problems

Report on Governmental Structure in Metropolitan Areas in the United States, by George H. Esser, Jr.

Code of Durham County, North Carolina, prepared by Clyde L. Ball

The Authority of the General Assembly to Vest Powers in, and to Impose Duties Upon, Counties and Cities, by Clyde L. Ball

Constitutional Problems in Finance: Special Purpose, Necessary Expense and Public Purpose, by Robert G. Byrd

Report to the Finance Subcommittee on Indebtedness of the City of Durham and Durham County, by Warren Jake Wicker

Report on Federal and State Aid Problems in the Prospect of Unification, by Milton S. Heath, Jr.

Report on Legal Aspects of Special Taxing Districts, by Robert G. Byrd

Report on Personnel Administration in Durham County, by Donald Hayman

Particular Governmental Functions

A Report on the Durham County Juvenile Court, by Roddey M. Ligon, Jr.

Report to the Subcommittee on Fire Protection, by Philip P. Green, Jr.

A Report on the Durham County Health Department, by Roddey M. Ligon, Jr.

Report on Law Enforcement in Durham County, by Roy G. Hall, Jr.

Report to the Subcommittee on Libraries, by Catherine Maybury

Report to the Subcommittee on Planning and Zoning, by Philip P. Green, Jr.

Report to the Subcommittee on Recreation, by Robert E. Stipe

Relationship of the Durham City and Durham County Schools to Durham County Unified, by Marion W. Benfield, Jr.

Backgrounds, Techniques, and Results of Three City-County School Consolidation Attempts in North Carolina, by Marion W. Benfield, Jr.

Report on Tax Administration in Durham and Durham County, by Henry W. Lewis

Special Report to the Utilities Subcommittee on the Provision of Utility Services to the Kavanaugh-Smith Development, by Warren Jake Wicker

Special Report to the Utilities Subcommittee on the Extension of Utility Services to Areas Outside Municipal Boundaries, by Warren Jake Wicker

Report on Water and Sewerage Services in Durham County, by Warren Jake Wicker

A Report on the Durham County Welfare Department, by Roddey M. Ligon, Jr.

Finally, we should like to point out that our subcommittee members and the Institute of Government's staff members, have interviewed many of the city and county officials and called upon them for special reports, in an effort to ascertain their views and to be sure that we had all of the facts as to the problems before us. County Manager E. S. Swindell, Jr., and City Manager George H. Aull, Jr., have attended most of our meetings and have been especially cooperative. We have found these officials uniformly courteous and attentive to our needs, and we want to thank them at this time for their generous assistance.

This, then, is our report to the people of Durham. It is organized into three parts and an appendix. Part One examines the setting and the nature of the problems which necessitate changes in the local governmental structure. Part Two examines the various governmental alternatives available for dealing with these problems and describes why the Commission selected the particular alternative which it did. Part Three presents the Commission's plan for reorganization in detail, and it is supplemented by the Appendix, which sets forth the charter provisions necessary to carry the plan into effect.

We hope that the citizens of Durham and Durham County will study this report in detail. We believe that on the evidence presented they will agree with us; that they will vote in favor of the new plan of government; and that a major step will thus be taken towards the building of a greater Durham.

PART ONE: THE PROBLEMS WHICH NECESSITATE GOVERNMENTAL REORGANIZATION IN DURHAM COUNTY

As background for an understanding of the City-County Charter Commission's recommendations for improving the local governmental structure in Durham County, it is necessary to examine the historical development of this area, the prospective growth in the area, and the governmental implications of this growth in terms of needs which cannot be met satisfactorily under the present organization. Following this statement of the necessity for reorganization, we shall set forth the objectives which we believe should be sought in any such reorganization which might take place.

I. Historical Development: 1854-1960

The City of Durham began as a physical entity in 1854, when a station on the North Carolina Railroad was built on land donated by Dr. Bartlett Durham (for whom the city and the county were subsequently named). A small community sprang up around this station. Its population numbered less than 100 in 1865, but in December of 1866 it was chartered as a town by the General Assembly of North Carolina (Chapter 25 of the Private Laws of 1866-67). Unfortunately, these were "parlous" times for the South, and this charter was voided by the first Reconstruction Act of Congress, which held the General Assembly to be illegally constituted. In 1869 the General Assembly tried again (Chapter 94 of the Private Laws of 1869), and this time successfully. The city government was formally organized under the 1869 charter, and the City of Durham became a governmental as well as a physical entity. It had a population of 256 at the time of the 1870 Census.

The County of Durham was created as a direct result of the city's growth. The city was originally a part of Orange County. By 1880 its population had boomed to 2,041, and it had reached a position of dominance in the county.

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I. Historical Development: 1853-1950

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The County of Durham was created as a direct result of the city's growth. The city was originally a part of Orange County. By 1880 its population had boomed to 2,041, and it had reached a position of dominance in the county.

As it did so, a feeling of resentment arose at the fact that the seat of government, with all its court and other facilities, was located 15 miles away in Hillsboro. In the 1881 General Assembly, both Orange County representatives were from Durham. They decided, shortly after the convening of the legislature, to introduce a bill forming a new county out of portions of Orange, Wake, Chatham, and Granville Counties. After a fierce legislative struggle, the bill passed, but amendments deleted the Chatham and Granville County areas from its provisions (Chapter 138 of the Public Laws of 1881). The city was designated as the county seat, and after a favorable vote by the people in the area, the county was officially organized that summer. In 1911 additional territory was carved out of Wake County and became Carr Township (Chapter 47 of the Public Laws of 1911).

The importance of the city which was evidenced at the creation of the county has continued to this day. The county has always centered about the city. It is unique in having only one incorporated municipality and no sanitary districts or fire protection districts. It has been for many years one of the most "urban" of North Carolina counties, in terms of population characteristics, and the percentage of county residents who live in the city has been very high, as shown by the table below.

Concentration of Durham County's Population in the City

	Population		
	City	County	% of County Pop. Living in City
1900	6,679	26,233	25.46
1910	18,241	35,276	51.71
1920	21,719	42,219	51.44
1930	52,037	67,196	77.44
1940	60,195	80,244	75.01
1950	71,311	101,639	70.16
1960	79,398	113,083	70.21

Source: U.S. Census.

As it did so, a feeling of resentment arose at the fact that the seat of government, with all the court and other facilities, was located 15 miles away in Hillsboro. In the 1881 General Assembly, both Orange County representatives were from Durham. They decided, shortly after the convening of the legislature, to introduce a bill forming a new county out of portions of Orange, Wake, Chatham, and Granville Counties. After a fierce legislative struggle, the bill passed, but amendments deleted the Chatham and Granville County areas from its provisions (Chapter 130 of the Public Laws of 1881). The city was designated as the county seat, and after a favorable vote by the people in the area, the county was officially organized that summer.

In 1911 additional territory was carved out of Wake County and became Cary Township (Chapter 47 of the Public Laws of 1911).

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1930	52,037	67,156	77.44
1940	60,192	80,284	75.01
1950	71,311	101,436	70.16
1960	78,398	113,089	70.21

Source: U.S. Census.

Even these statistics fail to reflect the true measure of the city's importance in the county. Much of the county's population living outside the city limits is composed of suburbanites who work, shop, and find entertainment in the city. Although 1960 census figures for townships are not yet available, the growing concentration of population in the suburbs may be detected in the 1930, 1940, and 1950 figures shown in the table below. It will be noted that those townships at a distance from the city have been showing comparatively little growth (and in some cases there have even been declines), while those in the suburban fringe have been growing at a rate even faster than that of the city. Between 1930 and 1950 the city's population increased by 37 per cent, while the suburban belt increased by 148 per cent.

Distribution of the Durham County Population, 1930-1950

	1950	1940	1930
Urban core			
Durham City	71,311	60,195	52,037
Suburban belt			
Durham Township (outside city)	10,541	5,358	3,736
Oak Grove Township	6,764	4,222	2,721
Triangle Township	7,755	5,191	3,649
[suburban subtotal]	[25,060]	[14,771]	[10,106]
Rural Fringe			
Carr Township	1,014	1,040	903
Lebanon Township	1,522	1,157	1,100
Mangum Township	2,732	3,081	3,050
[rural subtotal]	[5,268]	[5,278]	[5,053]

Source: Durham City Planning Department, Population Analysis (Dec. 1959), derived from 1950 Census reports.

Thus, from the beginning, local government in Durham County has been primarily concerned with providing for an urban population in an urban setting. The county has been singularly free of the city-county conflict found in many counties of the state where a rural majority dominates an urban minority and the county governing board is unfriendly to interests

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Even those statistics fail to reflect the true measure of the city's importance in the county. Much of the county's population living outside the city limits is composed of suburbanites who work, shop, and find entertainment in the city. Although 1960 census figures for townships are not yet available, the growing concentration of population in the suburbs may be detected in the 1930, 1940, and 1950 figures shown in the table below. It will be noted that those townships at a distance from the city have been showing comparatively little growth (and in some cases there have even been declines), while those in the suburban fringe have been growing at a rate even faster than that of the city. Between 1930 and 1950 the city's population increased by 37 per cent, while the suburban belt increased by 114 per cent.

Distribution of the Durham County Population, 1930-1950

	1950	1940	1930
Urban core			
Durham City	71,311	60,195	52,037
Suburban belt			
Durham Township (outside city)	10,512	5,358	3,736
Oak Grove Township	6,764	4,222	2,721
Triangle Township	7,755	5,191	3,619
[suburban subtotal]	[25,060]	[14,771]	[10,076]
Rural Fringe			
Carr Township	1,011	1,040	903
Lebanon Township	1,522	1,157	1,100
Mangum Township	2,732	3,081	3,050
[rural subtotal]	[5,265]	[5,278]	[5,053]

Source: Durham City Planning Department, Population Analysis (Dec. 1959), derived from 1950 Census reports.

Thus, from the beginning, local government in Durham County has been primarily concerned with providing for an urban population in an urban setting. The county has been singularly free of the city-county conflict found in many counties of the state where a rural majority dominates an urban minority and the county governing board is unfriendly to increases

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of the city residents. In Durham County the interests of the residents are for the most part the same (although it must be noted that city and county governing boards have not always been able to agree on such issues as are pointed up in Recommendations and Report of the Joint City-County Study Commission, April 1, 1959). We believe that this background makes Durham County better suited for achieving a unified governmental structure than almost any other county in the state.

We should note two factors in the county's growth which point to a need for reexamination of the governmental structure at this time. First, we have seen that most of the population growth up to the present has been in and around the city limits. This pattern of growth has been well suited to the pattern of government in the area. The county government has been able to concentrate on county-wide services such as health and welfare, secure in the knowledge that the city government could handle the needs for urban-type services (such as water supply, sewage disposal, police and fire protection, and garbage collection). The city could regulate growth for a reasonable distance beyond its limits, and as development took place, the city could annex the newly-developed areas. Thus, the city's area increased from approximately one square mile when it was chartered, to 3.89 square miles in 1901, to 12.80 square miles in 1925, to 13.25 square miles in 1937, to 13.28 square miles in 1953, to 14.293 square miles in 1955, to 15.454 square miles in 1956, to 21.454 square miles in 1957, to 21.997 square miles at present. The establishment of the Research Triangle Park has produced new pressures which will have marked effects on this pattern, however. Location of this Park well to the south of the existing city creates a new focal point for development of areas well beyond the capacity of the city to annex. And this necessitates consideration of how these new areas may be given urban-type governmental services.

Secondly, despite its rapid growth, Durham County has not kept pace in recent years with North Carolina's other major urban counties in the Piedmont area, which have been capturing an increasing share of the state's population, as indicated by the table below.

Percent of State's Population Living in Selected Counties

	1900	1910	1920	1930	1940	1950	1960
Buncombe	2.34	2.26	2.51	3.09	3.04	3.06	2.81
Cumberland	1.54	1.60	1.37	1.43	1.66	2.37	3.23
Durham	1.38	1.60	1.65	2.12	2.25	2.50	2.50
Forsyth	1.77	2.14	3.02	3.52	3.54	3.60	4.15
Guilford	2.06	2.74	3.10	4.19	4.31	4.70	5.42
Mecklenburg	2.92	3.04	3.15	4.04	4.25	4.85	5.98
New Hanover	1.36	1.45	1.59	1.36	1.34	1.56	1.58
Wake	2.88	2.87	2.94	2.99	3.07	3.36	3.73

It will be seen from the table that after a sharp increase between 1920 and 1940, Durham's pace has slacked off, and it has joined Buncombe (Asheville) and New Hanover (Wilmington) among the counties which are just holding even with the state's rate of development or losing ground. Durham's Piedmont neighbors, on the other hand, have shown continued major gains in the past two decades. In other words, Durham County seems to have missed much of the heavy migration to the urban counties and particularly to the Piedmont which has characterized the post-war years. Now it is confronted with the renewed opportunity posed by the Research Triangle. It must not miss this chance if it is to remain in the main stream of the state's development.

II. Prospective Growth

As has been noted, there are two forces currently at work which may affect Durham County's population growth. The first of these is the general

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urban growth evident all over the United States, the movement from farms to town and from small towns to large cities. Two-thirds of the national population increase between 1950 and 1960 took place in and around the 168 "standard metropolitan statistical areas," defined in 1950 as cities of 50,000 or more plus the counties in which they were located and in some cases associated counties. Durham and Durham County constitute such an area. The second force is the Research Triangle and its development--development which will involve parts or all of Durham, Wake, Orange, and Chatham Counties.

Let us look at the volume of the expected population growth, what this means in terms of land requirements, the probable location of development, and the patterns which this development might take.

Estimated Population

The staff of the Research Triangle Regional Planning Commission estimates the current population of the region (including the cities of Raleigh, Durham, and Chapel Hill, plus the areas between and surrounding these cities) at 250,000. It estimates that this population will increase to somewhere in the range of 325,000-425,000 by 1970, 450,000-650,000 by 1980, and 600,000-1,000,000 by the time the Research Park is fully developed.

In other words, the "low" estimate is that the population of this region will almost double in the next 20 years, and it may increase by more than two and one-half times. With two-thirds of the Research Park inside its boundaries, Durham County should capture a sizeable proportion of this development, if it plans and makes provision for governmental services in a way calculated to maintain a desirable environment.

The Durham Department of City Planning has estimated that apart from the effects of the Research Triangle, the county's population will grow from

today's 113,083 to a point in the range of 143,000-206,000 by 1980. Students of the Department of City and Regional Planning at the University of North Carolina estimate the population of the county in 1980 at somewhat over 200,000, taking the Research Triangle effects into account.

Regardless of which of these estimates is selected, it will be seen that this area must prepare for a massive population increase. Practically all of this new population will be "urban" in nature and will expect urban-type governmental services; so we may expect also a massive increase in the demand for such services.

Land Requirements

The number of acres necessary to be put into urban development for the expected population increase is dependent upon the density of development and to some extent upon the pattern of development.

To illustrate this point, the Research Triangle Regional Planning Commission staff has developed estimates of the additional acreage which would be required to serve given populations in three different patterns of development: compact (grouped tightly around existing cities), "nucleated" (new towns of 18,000-24,000 population, scattered throughout the region), and "corridor" (residential communities of 3,000-4,000 strung like beads along 500-foot wide "utility corridors" leading out from the major cities). Acreage requirements which the staff found for development at desirable density levels in these patterns were as shown in the table below.

Acreage Requirements for Additional Populations in Three Patterns Which Might Be Followed in the Research Triangle Region

	Compact (for 675,000 new people)#	Nucleated (for 351,000 new people)#	Corridor (for 374,000 new people)#
Residential	52,507	31,758	36,581
Commercial	1,330	1,456.38	1,412
Industrial	9,178	6,796	11,387.1
Public, etc.*	36,231	18,890.94	24,935.74
Total	94,924	58,901.32	74,315.84

These totals are in addition to estimated 250,000 already in region.
* Includes educational, recreational, institutional, transportation (including streets).

As the table indicates, there will be demands for considerable conversion of rural land to urban developments as the expected population growth takes place. For purposes of comparison, the present area of the City of Durham is approximately 14,078 acres. On the other hand, the entire increase in the Research Triangle region would not exhaust the land supply of Durham County alone (which contains approximately 191,360 acres, or enough to accommodate 1,600,000 people at the density levels of the 1950 city of Durham).

The chief significance of these figures is that whatever development takes place in the Research Triangle, massive though it may be, will not spread uniformly across the county. Some areas will be developed for urban purposes, but a great many others will remain rural during present lifetimes. This unevenness of development must be taken into account in whatever governmental solution is evolved in the county.

Acreage Requirements for Additional Populations in Three Patterns
Which Might be Followed in the Research Triangle Region

	Compact (for 875,000 new people)*	Nucleated (for 351,000 new people)*	Corridor (for 375,000 new people)*
Residential	52,507	31,758	36,581
Commercial	1,330	1,456.36	1,412
Industrial	9,178	6,756	11,387.1
Public, etc.*	36,231	18,890.64	24,935.76
Total	98,926	58,901.32	74,315.86

* Includes educational, recreational, institutional, transportation (including streets).
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Location of Development

In general, it is expected that the bulk of the new development in the county will take place outside the present city limits. This is despite the fact that an estimated 10,000-30,000 more people could be accommodated within the existing city limits. Furthermore, although practically all of the county's expected growth within the next 15-20 years could be handled within the drainage areas for the city's three present sewage treatment plants (necessitating a minimum of pumping stations), it is unlikely that even this degree of concentration will take place.

The location and patterns of development may be shaped by:

(1) Physical factors, such as the availability of ground water.
(2) Provision of public facilities, such as water and sewerage systems and highways.
(3) Governmental regulations, such as zoning and subdivision regulations.
(4) Economic factors, such as relationships with other development.
(5) Desires of private persons, including landowners, developers, lot purchasers, and others.

Two factors are of extreme importance in determining the location of development in Durham County (and the entire Research Triangle region). They are water supply and sewage disposal.

Water supply. The ground water supply in much of the county, and particularly in the southern half of the county, is so small that it cannot support a major population increase. In addition, in the southern half of the county surface water sources are small, undependable in their flow, and apt to be polluted. This means that any large-scale development of this area will be dependent upon securing water through an area-wide system. Practically speaking, the Neuse River and its tributaries (from one of which Durham secures its present supply) are the only sources capable of supporting the anticipated development of the Research Triangle area.

Sewage disposal. The situation is similar with respect to the problem of sewage disposal. The soil through much of the county, and particularly the southern half, is a non-absorbent clay, which means that there can be no large-scale development relying on septic tank sewage disposal without creating major health and sanitation problems.

Secondly, the State Stream Sanitation Committee has indicated its intention of preserving the Neuse River as a water-supply stream, which will prevent any large-scale sewage disposal into the Neuse or its tributaries. The city of Durham straddles a ridge between the Neuse and the Cape Fear basins, and sewage from all development north of the city would normally flow into the Neuse. Present development in this area already has reached about the maximum from which even treated sewage could be discharged into the Neuse basin, so that further development north of the city will necessitate pumping sewage across the ridge and into the Cape Fear basin.

In the southern half of the county, the small streams which lace the countryside have too little flow to carry major loads of even treated sewage, under the Stream Sanitation Committee's standards.

The result of these factors is that any major development of the area must be based upon a large sewage collection and disposal system, with outfalls reaching down into Chatham County to a point in the Cape Fear basin where the streams are of a size which can handle such quantities of effluent. This point may be so far south as the proposed New Hope dam.

Effects. When the water supply problem and the sewage disposal problem are considered together, it is apparent that the local governments' policy decisions as to where water and sewerage systems will be constructed will have major (and perhaps controlling) effects on the location of development

in the region. It is probable that most of the growth in Durham County will be channeled into the area south of the present city, because (a) it will probably be found cheaper to pump water from the Neuse basin to the Cape Fear basin than to pump sewage, (b) it will be necessary in any event to construct water and sewerage systems south of the city to serve the Research Park, while no such necessity exists north of the city, and (c) there will be a natural inclination on the part of property owners to develop land in the vicinity of the Park.

Patterns of Development

As we have indicated, the patterns as well as the location of development may be shaped by a number of factors, including physical factors, governmental facilities, governmental regulations, economic factors, and the desires of private persons. The range of these patterns is infinite, but in the Research Triangle area they may be treated as falling into the following major classifications:

(1) Splattered--looking on a map like a wall against which muddy water has been splashed.

(2) Grouped around existing cities.

(3) Strung along utility corridors leading out from existing cities.

(4) Grouped around the Research Park, either in one big new city or in several communities.

(5) In new towns scattered through the region.

The selection and encouragement of a pattern for growth represents a major planning problem for the governmental units in the region. The Research Triangle Regional Planning Commission staff, as mentioned earlier, is already engaged in making studies and comparisons of such patterns. While no choices have been made, it is apparent that achieving anything other than splattered development will require the utmost in coordination by the governmental units involved.

Splattered development, which will most certainly occur in the absence of governmental regulation, will lead to the following undesirable features:

a. The costs of furnishing governmental services such as water supply, sewerage, streets, garbage collection, police protection, and fire protection rise sharply when development takes place in a splattered rather than a compact pattern.

b. Because of this it is not possible to furnish as high a level of services to a splattered pattern of development as to a compact pattern. In some cases the higher level may not be needed; in others it definitely will be needed, but the costs will be prohibitive.

c. Inability to furnish services at proper levels may lead to health and safety problems (such as overloaded septic tanks, inadequate fire protection, etc.).

d. Splattered development results in longer trips to work, shop, and play, at the expense of the commuter's time and nervous system. It also greatly increases the amounts which must be spent for major streets and highways.

e. Splattered development creates an unpleasant environment in which to live, from the standpoint of aesthetics as well as convenience.

We believe that splattered development may have the effects either (a) of stifling the development of the whole Research Triangle (which must, in its competition with the Harvard-M.I.T., Stanford-Cal. Tech., and Princeton areas, base much of its appeal on desirable living conditions for research scientists and their families--the absence of congestion, short trips to work, pleasant surroundings, leisurely living, etc.) or (b) of driving development out of Durham County to surrounding counties which may be paying more attention to the creation of a desirable environment. We believe it imperative that steps be taken to prevent this from happening.

III. Governmental Implications of this Growth

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the growth generates and then examining the problems which the present organization encounters in meeting these needs.

A. Governmental Needs

In order successfully to handle development problems, the following needs must be met:

Need for land development regulations. Because unregulated growth will lead to the many ills we have described, it is essential that governmental units in the area be given (and exercise) the authority to regulate land development. This package of regulatory powers in Durham County should include authority to specify (a) which areas of the county are to be developed for urban purposes and which are to be kept rural for the most part, (b) what the nature of development (residential, commercial, industrial, etc.) shall be in each developed area, and (c) what standards shall be followed in the internal design and layout of each area. To be effective, these regulations must be coordinated with the regulations of other governmental units in the region. They must also be coordinated with policies for the provision of utilities and other public or governmental services and facilities.

Need for regional planning. Since the anticipated growth will extend over a four-county area, it is desirable that planning for the entire area should be done on a coordinated and centralized basis. This type of planning is currently being done through the Research Triangle Regional Planning Commission and its staff. This Commission is now responsible to three county governing boards and three city councils, however, and any reduction in the number of governmental units in the region would simplify its task of gaining acceptance for its plans.

Need for area-wide utilities systems. We have already described the need for area-wide utilities systems. Eventually a single large source of water for the Triangle region will be needed. Although Durham is currently in a relatively good position with respect to its water supply, Raleigh will face the necessity within a very few years of going to the Neuse River for its supply. This will undoubtedly require the construction of a Falls of the Neuse dam. Sound development of the region dictates joint planning and possibly joint financing of this venture, followed by gradual extension of a common water system to the region as a whole. Likewise, it is apparent that a sewerage system for southern Durham County, northwestern Wake County, northern Chatham County, and possibly even the Chapel Hill area can best be provided on a joint basis. A single government in Durham County could represent the interests of this county's residents most effectively in such a joint undertaking. Again we point out that provision of such utilities systems should be coordinated with regulations of land development, in order to maximize their effectiveness.

Need for extension of more governmental services to a larger area. It is obvious that as new urban areas develop, they must be provided with urban services. The difficult factors in the situation about to confront us are that many of these areas will probably be at some distance from the present city limits (so that they cannot easily be annexed or given these services by the city) and that these areas will probably not spread evenly across the county (so that there will be need for such services in some areas but not in others).

Need for a broad tax base to finance these services. No matter what pattern of development is followed, the capital outlays to provide facilities such as water and sewerage systems for the newly developing areas will be considerable. Because of their magnitude, these outlays

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will probably have to be met, for the most part, through the issuance of bonds. Obviously, the newly-developing areas cannot handle such financing. Sound development of such an area cannot take place until the facilities are installed, and yet there will be little in the way of tax valuations in the area to serve as a basis for bond issuance until after development has taken place. (In the long run, of course, such an area will be able to pay its fair share, through service charges and taxes.)

Under the present arrangement, city residents would probably be called upon to issue bonds for the enlargement and extension of their utilities systems, even though this was for the benefit of areas outside the city. This seems to us to be inequitable. Instead, we believe that the resources of the county as a whole should be available as a basis against which to issue bonds for the initial financing of such improvements, and that expenditures should be made by a governing board with a county-wide outlook in determining what will bring about the soundest development of the county. As development takes place, the taxpayers of the entire county will benefit, and the new areas will contribute to further enlargement of the system.

B. Major Problems under Present Governmental Organization

The difficulties in meeting the above governmental needs in Durham County under the present governmental structure tend to concentrate under four headings: (a) utilities, (b) land development regulations outside the city, (c) extension of general governmental services to areas remote from the city, and (d) the danger of creating new, competitive governmental units.

Utilities. A variety of diverse interests complicates the utilities situation in the county at present. First, the city has a natural interest in concentrating growth in the areas immediately outside its boundaries

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Utilities. A variety of diverse interests complicates the utilities situation in the county at present. First, the city has a natural interest in concentrating growth in the areas immediately outside its boundaries

which will be available for annexation in the near future. It can provide utilities in these areas at relatively little cost in comparison with extension of services to areas at a greater distance. And the new tax values added by new development do not benefit the city directly unless they are within its limits. Second, developers and others want to develop land elsewhere in the county. When they realize the necessity for utilities services, they bring pressure on whatever governmental unit is in reach to give them these services. Third, the county government merely desires sound development within the county. It has no particular desire to concentrate development near the city or anywhere else. However, it is under pressure from developers to give them services, and it will be under pressure from the city to adopt regulations forcing concentration of development near the city.

Under these conditions, it is desirable (a) that decisions as to where development should take place in the county should be made by a governmental unit interested in the area as a whole, (b) that this unit have authority and financial capacity to provide utilities in accordance with its decision, and (c) that this unit have authority to adopt regulations designed to channel development into the approved pattern. Neither the present city nor the county government fully meets these requirements.

Land development regulations outside the city. With much of the expected development taking place outside the city, we have already pointed out that it is essential that there be a governmental unit with authority (and the will) to adopt needed regulations of land development.

The county presently has authority to adopt a zoning ordinance and subdivision regulations, and to appoint a building inspector to enforce the State Building Code in the areas outside the city. It has exercised

only its authority to adopt zoning regulations, and these are admittedly not so strict as might be desirable.

This is partly explainable by the fact that the county does not have the responsibility for providing the full range of services which a city provides. Enforcement of regulations tends to become a contest between groups of individuals, rather than a device to insure that development will be of such a nature as to facilitate economical and efficient services. If the county were required to build and maintain streets, to provide utilities, etc., it would be more interested in seeing that subdivisions were properly designed and laid out, that areas were restricted to land uses of a type which could appropriately be served by such facilities, and so forth. Instead we have a situation in which different governmental units are providing such facilities, and there is only a measure of coordination between county regulations and these services.

Extension of general governmental services to areas remote from city.

As areas develop here and there around the county, the problem of extending general governmental services, such as police protection, fire protection, and garbage collection, will become increasingly difficult under the present governmental structure. The situation with respect to police protection presents a good illustration of such problems. Today the Durham city police force is the only force in the county primarily concerned with law enforcement in all of its aspects. The Sheriff and his deputies devote only an estimated 10 per cent of their time to criminal law enforcement, with the bulk of their attention being taken by such duties as service of civil process; the A.B.C. officers and State Highway Patrolmen are concerned only with liquor and motor vehicle law violations, respectively. But the city police force has no jurisdiction beyond the city limits. It cannot make arrests

outside the city, it cannot pursue erring motorists (or even more deadly criminals) beyond the city limits. This limitation seriously hampers effective law enforcement at present, and the situation will become worse as new areas develop with large population concentrations. If the necessary level of protection is to be afforded such areas, there will be a necessity for (a) expansion of the Sheriff's department, (b) creation of a new rural police force, or (c) creation of a single county-wide police force. We believe the latter alternative is incomparably superior, in that it avoids problems of duplication and coordination and permits efficient, specialized police operations when and where needed. We would not, of course, interfere with the Sheriff's constitutional duties in the field of law enforcement. Similarly, the quality of fire protection in the county drops off sharply at a distance of more than a few miles from the city limits; such protection could be given much more flexibly and efficiently if only a single governmental unit were involved. Even such services as libraries and recreation could be provided much more flexibly and efficiently if a single governing board, rather than two, were able to survey and provide for needs on a county-wide basis.

Danger of creation of new, competitive governmental units. If the present governmental structure is continued and development is permitted in areas not subject to annexation by the city, the following sequence of problems is apt to result.

Initially, these areas will have a minimum of governmental services.

As health, sanitation, or safety problems arise, there will be demands for (1) the county to assume responsibility for furnishing these services or (2) the incorporation of new towns to furnish services.

If the county yields to pressure and assumes responsibility for furnishing urban-type services, there will be duplications of city functions and probable financial inequities.

If new towns are created, Durham County is apt to become divided into a multiplicity of financially weak governmental units, unable to afford adequate service levels. There will probably be competition among these units for particular types of development, as a means of strengthening individual tax bases; disparities in tax rates; disparities in service levels; difficulties in coordinating provision of public facilities; difficulties in eventual centralization of area-wide facilities; difficulties in coordinating land development regulations--in short, all the classic ills of metropolitan areas of the North and East which we have been fortunate in avoiding up to this time.

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IV. Objectives to be Sought in any Reorganization

We believe that the following are the objectives which should be sought in any plan for reorganization of our local governments:

Planning Coordination

Because of the intimate interrelationships involved in the development of the Research Triangle region, it does not make sense to plan for the development of this region on less than a regional basis. We believe that any reorganization should recognize, and strengthen if possible, the existing program for region-wide planning through the Research Triangle Regional Planning Commission. We also recognize the necessity for detailed plans within the framework of the regional plan, and we believe that these detailed plans for areas within Durham County must be coordinated among themselves.

Policy Coordination

Within the area of Durham County, it is essential that any governing boards concerned with development have coordinated policies with respect to the provision of public facilities (such as utilities systems, streets, schools, parks, etc.), land development regulations, and related matters. We cannot afford a situation in which two or more governing boards are at variance with one another concerning which areas should be developed and are following policies at variance with one another. Worse yet would be a condition in which there was active competition between two or more governing boards for development. Any measures to coordinate policies within the county, of course, will also have beneficial effects on coordination within the Research Triangle region.

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Administrative Coordination

It is not enough for there to be simply policy coordination between

the heads of government. Each governmental unit must also have internal coordination of its own actions, brought about through administrative controls. Thus, its regulations and its actions in providing facilities must be coordinated. The activities of its various departments must also be coordinated. Otherwise we shall witness the sorry spectacle of streets being paved one month and torn up the next for installation of new water mains, of new schools being built in areas scheduled for industrial redevelopment, or of new recreation areas being taken over for major highway rights-of-way. The governmental structure which is erected must be administratively workable, and it must provide maximum opportunity for avoiding such mistakes.

Financial Capacity

Each governmental unit created by the reorganization must have adequate financial resources to do the jobs it is charged with doing. It must have a large enough tax base to finance its operations. It must also have such power to issue bonds, levy special assessments, collect service charges and fees, etc., as is necessary to give it flexibility in meeting its financial needs.

Organizational Flexibility

Even though it may take place rapidly, the development of Durham County and of the Research Triangle will not occur all at once. This means that insofar as possible, the governmental organization should have built-in flexibility, so that necessary modifications to meet changing conditions can be made without having to return to the General Assembly each time.

Ability to Provide Higher Levels of Service to Areas Needing Them

Because development will not be uniform throughout the county, the governmental structure must make provision for giving an urban level of

services to urban areas without having to give such services to areas which do not need them. A high level of police protection, fire protection. garbage collection, street cleaning, and similar services is required within the present city limits, for example, whereas such a level is neither needed nor desired in rural sections of the county.

Financial Equitability

As a corollary of the preceding statement, if services are to be provided on an unequal basis, we believe that fairness dictates that payment for such services be roughly equivalent to the services received. Some services, such as those presently furnished by the county, ought to be provided and paid for on a uniform basis. But others which are primarily for the benefit of those living in built-up areas should continue as at present to be financed by residents of those areas.

Maintenance of an Uncomplicated Governmental Structure

We believe it would be a catastrophe if the present area of Durham County were to be split up into many new, competitive governmental units. Whatever plan of organization is adopted must deal with this problem directly, either through prohibition of the creation of any new units or provision of some means by which there is centralized control over the actions of new units.

Political Responsibility

We believe strongly that local government must be politically responsible to the citizens who are governed, and we have made a special effort to provide adequate representation in our proposed plan. We believe that creation of "authorities" and similar units which are only indirectly responsible to the people would represent a backward step in our situation. This principle also demands that we seek a viable compromise between the efficiency of a big government and the local control which is possible with a small government, close to the people.

In the plan for reorganization which we propose, we believe that we have attained these objectives.

Part Two

Why the Commission Recommends Unification of the City and County Governments

PART TWO: WHY THE COMMISSION RECOMMENDS UNIFICATION OF THE CITY AND COUNTY GOVERNMENTS

I. Alternatives Available to the Commission

The governmental problems, needs and objectives we identified in Part One have, of course, conditioned our search for the pattern of governmental organization best suited for Durham County. Within the county boundaries, the enabling legislation has given us very broad discretion to determine a governmental organization designed to meet these problems, needs and objectives. The alternative plans which we were authorized to consider under Chapter 696, 1959 Session Laws, actually include within their scope every reorganization proposal considered or adopted anywhere in this country in counties having problems similar to those of Durham County, except some features not permitted under the provisions of the North Carolina Constitution.

The enabling legislation gives us these three general alternatives:

1. To transfer functions, responsibilities, and, if necessary, revenue sources from the city to the county government, or vice versa, in order to insure better coordination of growth and development in the county, to permit more effective extension of urban-type services to newly-developing areas, and to achieve greater efficiency in all governmental operations. This alternative also authorizes creation of special taxing districts under the county government to finance urban-type services in areas removed from the city.

2. To leave the existing city and county governments as separate legal entities, but to provide for coordinated policy-making and administration through election of a single governing board which would serve as the county governing board and whose members elected from within the city would have additional duties as the city governing board. This alternative also permits us to include any of the provisions authorized under the first alternative.

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3. To bring together the present city and county governments under a single governing board, charged with providing both traditional county functions and urban-type functions needed county-wide, provision being made for special taxing districts for the support of functions needed in urban areas but not county-wide.

Having completed our survey of governmental operations in the county, we proceeded to examine these alternatives, to measure them against the objectives we identified in Part One, and to measure them against each other.

II. Can the Existing Governments Do the Job?

We could not proceed to basic governmental changes without first seeing if our objectives could be met under the present governmental structure. That is, it is certainly theoretically possible for closer city-county cooperation to handle satisfactorily the needs we set forth in Part One.

For example, such an approach might include (1) creation of a city-county planning department with responsibility to plan for the development of the entire county, (2) city-county agreement for progressive extension of the city water and sewer system into rapidly-growing areas outside the city with the county reimbursing the city for the cost of the lines, (3) a continuous program of annexation by the city to serve areas undergoing urban development in or near the city, and (4) creation of special districts, under control of the county board, within which services not normally provided county-wide but needed in particular areas could be made available.

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approach. It does not require legislative changes. Rather it places emphasis on attitudes of good will and common understanding, on the need for mutual agreement on policies and procedures as well as goals. And conceivably it could work.

But, despite generally good city-county relations in the past, we cannot forget that one reason for the creation of this Commission was failure of the city and the county to agree on a number of important issues which were studied by a city-county study commission in the 1957-59 biennium. We do not suggest that either the county or the city bears responsibility for the failure to agree on these questions. Rather we are of the opinion that under the existing structure of government, and under the existing allocation of responsibilities to the two units of government, there was no logical basis upon which they could agree.

If the status quo cannot encourage agreement on these questions of financial responsibility involving relatively minor sums of money, we seriously question that it would encourage agreement if the area of cooperation is extended to include planning, zoning, subdivision control and extension of utilities. The very machinery involved — the continual process of negotiation, education and persuasion — persuades us that this approach is too fragile, too uncertain, too subject to honest differences of opinion, and too subject to the whims of the moment to react to the needs of the '60's in the positive fashion that will be necessary. And we have been unable to find any conspicuous example anywhere in the country where a broadly-conceived plan of cooperative effort has produced the results which we believe are essential.

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There is, for example, our conviction that coordination of planning and basic governmental policy is of great importance. There will always be different points of view in the community on how land should be zoned, where sewers should be extended, and how utilities should be financed. If each governing board independently adopts a position on each of these questions and then seeks to find a common ground in between each separate position, we can only expect lengthy negotiation and probably unsatisfactory compromises. Rather it seems clear to us that agreement on these conflicting points of view can be reached more simply, more directly and more satisfactorily in one governing board than in two.

But better coordination of planning and policy is not the only reason that we do not believe a system dependent solely on cooperation will work satisfactorily. Just as we are convinced that two governing boards cannot formulate county-wide policies effectively, so we also believe that it will be difficult to carry out policies, once adopted, through two chains of command.

There are two problems here. First, there is the question of carrying out specific policies. As we said in Part One, we do not want to see streets paved one month and torn up the next for installation of new water mains, or schools built in areas scheduled for new industrial development, or new recreation areas being taken over for major highway rights of way. Yet, with two governmental units charged with coordinating planning, utility, and street policies, these mistakes are strong possibilities, no matter how good the motives and intentions of the personnel of the two units.

Equally as important is the fact that a continuation of two governmental units commits the people of Durham County to a continuation of essentially

wasteful policies, not wasteful in intent but in effect. Today we have two governmental units both supporting functions and departments that could more effectively be combined. We have two tax collection offices, two law enforcement agencies, two governmental centers. In the future we face the possibility of two or more separate water and sewer systems, fire departments, and recreation systems. We are duplicating personnel, equipment and facilities, and if the status quo continues, the duplication may be even more unnecessary and expensive in the future than it is today.

Thus we are convinced that the present system does not provide the degree of administrative coordination needed to carry out county-wide planning and policy decisions, nor does it provide the coordination necessary to insure the wisest possible use of each tax dollar.

Therefore the status quo, even when strengthened by a stated policy of city-county cooperation, fails completely to meet the three-fold test of coordination. It would also be unsatisfactory in the financing of such projects as a complete utility system in the Research Triangle area because the county would be in the awkward position of financing the extension of the city's utility system. At critical junctures in the further expansion of the Triangle area, Durham residents could never be sure that the county could raise the money, or that the city would be willing to extend its lines if new customers necessitated expansion of the water supply, or that agreement could be reached on the details of a major water line extension.

At every stage, therefore, when we needed action, we would receive negotiation. When we needed speed, we would be faced with honest and unavoidable delay. When we needed one voice, we would quite probably have two.

WE BELIEVE THAT THE DURHAM OF THE FUTURE WILL BE A DYNAMIC DURHAM ONLY IF IT SPEAKS WITH ONE VOICE, REPRESENTATIVE OF ALL THE PEOPLE.

III. Statutory Approach Number One: Strengthen the County

In our deliberations, then, we passed on to a now popular alternative. We could follow the lead of Dade County (Miami), Florida, and make the county the basic unit for all county-wide functions and activities, leaving the city to carry out those functions which are essentially urban in their nature and are not needed county-wide. Specifically, such a plan might include:

1. Vesting in the county full responsibility for planning, for land use regulation, and for operation and extension of the utility system. If we followed the Miami pattern, the legislation could permit transfer of the utility system to be phased over a period of time and could permit the city to elaborate on the county's land use regulations if it wished.

2. Permitting the county, under an appropriate procedure with necessary safeguards, to take over from the city the responsibility for other functions of government at such future time or times as the need for county-wide service becomes apparent.

3. Vesting in the county the power to make municipal-type services available as needed to newly-developing areas outside the city through special taxing districts.

This approach was developed in, and for, areas where there are many municipalities within the same county. It is now being considered in a number of metropolitan areas. We have concluded that it does not meet our objectives where there is but one city in the county.

Primarily, we believe that this approach is not adapted to Durham County for it, too, would not meet successfully the need for planning, policy and administrative coordination. It is too simple to say that vesting basic responsibility for planning and for land use regulation in the county would provide the degree of coordination needed for those functions. For example, the county board would certainly be vested with the authority to enact subdivision regulations applying throughout the county.

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But subdivision regulations, to be effective, require close coordination of new streets and utility installation at the time land is subdivided. If the city and the county remain separate governmental units, we are not prepared to recommend that construction and maintenance of streets become a county function. Yet if streets remain a city function, and utilities and subdivision control become county functions, effective administration of the county-wide subdivision ordinance will once more depend on close coordination between two separate governmental units.

A second example also involves streets. Today major street planning and construction within the city are joint responsibilities of the city and the state. The overall plan must be adopted jointly by the city and the State Highway Commission, and the state assumes responsibility for construction of some but not all new major street projects. Now, should we give the county overall responsibility for planning, including adoption of a major thoroughfare plan for the county, we would create the necessity for agreement between three governing boards on the need for, and location of, new street construction. Obviously the agreement of three boards is much more difficult to obtain than two.

Still another example is found in urban redevelopment. Successful urban redevelopment projects require not only thorough overall planning but also close coordination of street and utility planning as they affect the execution of these projects. And funds that the local government puts into urban redevelopment projects in the way of new street and utility construction may qualify as part of the local share of financial responsibility. Our problem has been to try and determine where the final

responsibility for redevelopment would lie if the county had control of planning and utilities, while the city initiated urban redevelopment projects and controlled street planning and construction inside the city. Obviously complicated and awkward coordinating processes would be involved.

In summary, although better formulation of county-wide planning and utility policies is possible under this approach, planning, policy and administrative coordination of the quality we believe essential would still depend on the processes of persuasion, education and negotiation between two separate governmental units, each having a different focus of responsibility.

There is still another major objection. The City of Durham has built its water and sewer system over a long period of years. While there would be no monetary damage to the city or its taxpayers in the transfer of the system to the county, we believe that the city's taxpayers would oppose transfer of the system to county control without specific representation on the county board. We believe that such a transfer to the county has within it the seeds of political controversy that would not be present if there were but one governing board, clearly representative of all the county.

In summary this approach would mean that two governmental units with independent governing boards would continue to represent one land and one people, who have common goals and objectives. Where there are two or more cities in a single county, each with some individual as well as common goals, compromise on the county government as the strong county-wide unit may be practical. Here we believe that unity of purpose argues for a unified government representative of the entire county.

IV. Statutory Approach Number Two: A City-County Governing Board

We could not fail to consider most carefully Durham County's own contribution to new ideas for governing metropolitan areas. Back in 1933, primarily as an economy and efficiency measure, it was suggested that the departments of city and county government be merged under one governing board selected by all the voters of Durham County. But because of the problems involved in a complete merger, it was proposed that the city and the county remain separate legal entities, with the entire membership of the governing board exercising the functions of the county and those members of the board resident in the city having the additional duty of serving as the city governing board.

Legislation authorizing an election on the question of forming such a Consolidated Commission was enacted by the 1933 General Assembly, but an election was never called in Durham County. The proposal went to a vote in New Hanover County in 1933 and was defeated. Thirteen years later the idea was incorporated into a new reorganization of government in East Baton Rouge Parish (County), Louisiana, and the charter was adopted. In Baton Rouge today a nine member board governs the parish. Seven of these members are residents of the city and these seven members have additional duties as the city council of Baton Rouge.

We have concluded that this approach is inadvisable for two reasons. First, it perpetuates in form, and therefore we believe in substance, the idea that there is a basic difference between urban government and rural government, that there are different interests involved which must, in some way, be separated. Despite the fact that members are allocated between the city and the rest of the county on the basis of population,

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it seems to give the city voter an unfair advantage in the determination of basic governmental policy. This we believe, is a grave mistake. A county governing board should represent all the people, from whatever part of the county the members come, and the concept that urban areas have different ultimate objectives than their rural neighbors in the same county should be avoided. This is particularly true in a county where the future points to rapid urban development in all parts of the county.

There is still another reason why we would not want to recommend this approach. Article XIV, Section 7, of the North Carolina Constitution provides that "no person who shall hold any office or place of trust or profit . . . under this State or under any other state or government, shall hold or exercise any other office or place of trust or profit under the authority of this State. . . ." After careful consideration of the decisions of the Supreme Court interpreting this section, we are of the opinion that if this approach were adopted, a governing board member elected from the city might be construed to hold two offices as a member of the city council and of the county board. If this construction were upheld, the county board member seeking to exercise his duties as a city councilman would be held to vacate his office as a member of the county board. In short, it may be legally impossible to put this approach into effect without further amendment of the Constitution by all the voters of the state.

V. Statutory Approach Number Three: A Unified Government

The third alternative in the enabling act authorizes the unification of all local governmental units in the county under a single governing board, to the maximum extent permissible under the provisions of the North Carolina Constitution.

After careful and deliberate analysis of Durham County, present and future — of the opportunities for economic growth, of the governmental action needed to encourage that growth, and of the ability of the existing governmental units to provide the needed action — this Commission has reached one inescapable conclusion:

....THAT THE FUTURE OF DURHAM COUNTY DEPENDS UPON STRONG, DYNAMIC, RESPONSIBLE AND RESPONSIVE GOVERNMENT, ACTING FOR ONE LAND AND ONE PEOPLE WITH A SINGLE VOICE AND TOWARD COMMON GOALS

And to make possible this objective, this Commission enthusiastically and unanimously recommends:

....THAT ALL GOVERNMENTAL UNITS AND FUNCTIONS IN DURHAM COUNTY BE UNIFIED UNDER A SINGLE GOVERNING BOARD REPRESENTATIVE OF ALL THE PEOPLE AND DEDICATED TO THE DEVELOPMENT OF THE ENTIRE COUNTY AS A SINGLE COMMUNITY.

What are our reasons for this recommendation?

First of all, a unified government would mean one governing board elected by all the voters of Durham County and one administrative structure serving under this single board. Throughout this report we have stressed the need for coordinated planning, coordinated policy-making, and coordinated administration — all within the framework of political responsibility to all the citizens of the county. Unification would make this coordination possible as no other plan could.

A unified government could meet effectively the major governmental needs of the county — a responsible role in regional planning, provision for effective county-wide land development regulations, a county-wide utilities system coordinated with these land development regulations,

and progressive expansion of urban services to newly-developing urban areas adjacent to or removed from the present city.

Unification would protect Durham County from a multitude of new governmental units, organized to meet new governmental needs on a piece-meal basis. And it bears repeating that we must not fall victim to the classic ills of government found in other metropolitan areas. We must not split into parts. We must preserve the county-wide approach that will preserve rather than destroy our economic opportunities.

Because a unified government could call on the full county tax base to meet county-wide problems, it would have the financial capacity to meet county-wide needs without the uncertainty and the inherent waste involved in meeting the same needs through two or more separate units of government in the same county area.

It would make unnecessary the present and future duplication of facilities, equipment and personnel that is unavoidable where there are two or more separate governmental units.

It would be better prepared to insure financial equity in the distribution of tax and other financial burdens than would two or more separate governmental units.

It would have greater organizational flexibility and much more freedom and initiative in extending high quality services to newly-developing areas as they are needed.

Finally, a unified government would be a politically responsible government with one common goal in mind — the welfare of all the people in the county as this county makes its transition to a rapidly-growing urban and industrial community.

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Finally, a unified government would be a politically responsible government with one common goal in mind -- the welfare of all the people in the county as this county makes the transition to a rapidly-growing urban and industrial community.

We do not offer unification as a panacea for all our governmental problems. We offer it as the framework within which we can solve our governmental problems most easily, quickly, responsibly, and efficiently.

We will be asked whether unification as a new concept in local government in North Carolina can be made legally feasible and administratively practical. We have gone into this question exhaustively, and we are convinced that it can. In fact, the statutory and administrative changes necessary to put unification into effect seem much more drastic on paper than they will prove in practice. We foresee that, if properly timed in the transitional phases, unification should be attained with a minimum of the obstacles which have annoyed other metropolitan areas putting reorganizations into effect.

Our plan as explained in brief below and in detail in Part Three of our report has three essential points:

1. One single governing board representative of all the county's voters and responsible for the government and development of the entire county.

2. One administrative structure operating through a manager appointed by the board.

3. The creation of special districts which can contract with the unified governing board for services needed by district residents and not needed on a county-wide basis. This is necessary because the Constitution will not permit a governing board to fix varying tax rates commensurate with services received.

VI. The Commission's Plan in Outline

Having settled on Approach Number Three as best suited to the needs of the county, the Commission has worked out in considerable detail the basic features of a unified government. In Part Three we will describe

We do not offer unification as a panacea for all our governmental problems. We offer it as the framework within which we can solve our governmental problems most easily, quickly, responsibly, and efficiently.

We will be asked whether unification as a new concept in local government in North Carolina can be made legally feasible and administratively practical. We have gone into this question exhaustively, and we are convinced that it can. In fact, the statutory and administrative changes necessary to put unification into effect seem much more drastic on paper than they will prove in practice. We foresee that, if properly timed in the transitional phases, unification should be attained with a minimum of the obstacles which have annoyed other metropolitan areas putting reorganizations into effect.

Our plan as explained in brief below and in detail in Part Three of our report has three essential points:

1. One single governing board representative of all the county's voters and responsible for the government and development of the entire county.

2. One administrative structure operating through a manager appointed by the board.

3. The creation of special districts which can contract with the unified governing board for services needed by districts residents and not needed on a county-wide basis. This is necessary because the Constitution will not permit a governing board to fix varying tax rates commensurate with services received.

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Part Three

The Commission's Plan in Detail

PART THREE: THE COMMISSION'S PLAN IN DETAIL

I. Introduction

This Commission's decision to recommend unified government in Durham County was reached with full understanding that we were breaking new ground in the field of local government. There is no tested precedent to follow. For this reason we have made exhaustive studies to assure ourselves, and the people of Durham County, that our recommendations are constitutionally valid, administratively practical and politically sound.

Government in a democracy is based on law, and first we had to assure ourselves that a unified government could be effectively established within the framework of the federal and state constitutions.

"Constitutionally Valid"

At the time the federal union was joined, the states retained full power and control over the organization and powers of local governmental units. This power has been repeatedly affirmed by the United States Supreme Court.[1]

The Doctrine of Legislative Supremacy in North Carolina

If there were no state constitution, the General Assembly would enjoy all the rights of a sovereign government except as the state has delegated specific powers to the federal government. We do have a state constitution, and some provisions of that constitution impose limitations on the sovereign

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powers of the General Assembly. But those limitations have not limited the general power of the General Assembly over the organization and structure of local government. In a leading case the Supreme Court of North Carolina expressed this legislative supremacy over local government by affirming that "it is within the power and is the province of the legislature to subdivide the territory of the state and invest the inhabitants of such subdivisions with corporate functions, more or less extensive and varied in their character..." Furthermore, "the legislature may, from time to time, in its discretion, abolish them, or enlarge or diminish their boundaries, or increase, modify or abrogate their powers..."[2]

The basic structure of local government in North Carolina, as throughout this country, has changed very little since 1775. The entire state is divided into counties. Traditionally the county was created as an "agent of the state" to assist the state in the performance of basic governmental functions such as operation of the court system, enforcement of the law, conduct of elections, maintenance of roads and care of the poor. Cities and towns, on the other hand, were established to allow persons living in heavily-congested areas to provide for themselves governmental services which residents of the county as a whole did not need and which the county government could not or would not provide.

It follows from the doctrine of legislative supremacy that counties and cities can exercise only those powers which are given to them by the

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[2] McCormac v. Commissioners, 90 N.C. 441, 444 (1884). This statement has been quoted with approval on many occasions. See, for example, Smith v. School Trustees, 141 N.C. 143, 152, 53 S.E. 524, 528 (1906); Town of Saluda v. County of Polk, 207 N.C. 180, 186, 176 S.E. 298, 301 (1934); Moore v. Board of Education, 212 N.C. 499, 501, 193 S.E. 732, 733 (1937).

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General Assembly. The General Assembly acts to delegate governmental powers to counties and cities through laws — general laws applying to all counties and cities and special laws applying to specific counties and cities. Thus Durham County, in determining what powers it can exercise, must refer (1) to the General Statutes of North Carolina for general laws granting powers to counties and (2) to special acts of the General Assembly giving specific powers to Durham County. Similarly, the city relies on general laws concerning city government and special acts applying only to the City of Durham.

The fact that the structure of local government in North Carolina is still based on counties and cities as the primary governmental units does not mean that the General Assembly has not made frequent changes in the powers of cities and counties to meet new governmental needs. More than in any other state, the North Carolina General Assembly has moved with imagination to re-allocate governmental powers and responsibilities as needed to meet changing situations. For example, during the last 30 years the state has taken over from the cities and the counties primary responsibility for financing public school operation; the state has taken over from counties full responsibility for construction and maintenance of secondary roads, and has taken from cities responsibility for that part of the city street system having state-wide significance; and the counties, rather than the cities, have become the primary units responsible for public health functions.

It was within this spirit of finding new solutions to new problems within the existing constitutional framework that the General Assembly, on the recommendation of the Durham County board of commissioners and the Durham city council, enacted the legislation providing for the establishment

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of this Commission. And the General Assembly was obviously aware that this Commission might not find the existing structure of government satisfactory to meet the challenges of the future, for it did not simply authorize the Commission to recommend to the voters of the county changes in the powers and functions of the city and the county. The legislation contains this specific provision:[3]

> Sec. 7. A Unified City-County Government. The Durham City-County Charter Commission shall have the power to submit a plan of government based on the provisions of this section if, on the basis of its studies, the Commission makes the following findings: (a) that more efficient and effective administration of governmental functions will result from performance of all governmental powers and functions by one governmental unit instead of two or more such units; (b) that more effective determination of governmental policy for the residents and taxpayers of Durham County can be made by one governing body on behalf of the entire county than by two or more such governing bodies; (c) that future growth and development in the county can be better coordinated by one governmental unit than by two or more such units; (d) that fairer distribution of tax burdens will result from support of all county-wide governmental functions by one governmental unit and support of all governmental functions specially required in areas less than county-wide in jurisdiction by the residents of such areas. Such plan shall be submitted as a written charter setting forth the organization, powers and functions of a unified city-county government...

On the basis of our study of governmental operations in Durham County and of the ability of existing governmental units to meet effectively the problems of the future, we do specifically make each and every one of the findings set forth in the statute. The evidence left no room for doubt. In accordance with the direction of the General Assembly, therefore, we have prepared a charter providing for a unified government, to be submitted to the voters of Durham County.

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Constitutional Limitations

In order to ensure that our plan was in accordance with the provisions of the North Carolina Constitution, we conducted an exhaustive survey into the provisions of the Constitution to see if there were provisions which would affect our plan in any way.

We found, that, in general, there are no provisions which prohibit the General Assembly from vesting in a single governmental unit the traditional functions of both a city and a county.[4] But we did find that some of the provisions intended to limit the powers of the General Assembly with respect to cities and counties had a bearing on our plan.

First of all, the question arose as to whether a unified government should be, in form, a city or county. There is no requirement in the constitution that is strictly in point, but since representation in the General Assembly and organization of the judicial system are based on the assumption that the entire state is divided into counties, we concluded that it would be best to build the unified government around the existing concept of a county. We then went further to ensure that there was no constitutional provision which would prevent the General Assembly from vesting in the county government powers and functions heretofore confined primarily to city governments.[5] We are convinced that there is none.

Then we had to determine whether a unified county government could be given the taxing powers necessary to finance the functions which would be

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county-wide under the unified concept. We studied very carefully the provisions of Article V, Section 6, limiting the amount of the county tax rate for general county purposes and providing for the financing of functions held to be a "special purpose" and not a general purpose.[6] We carefully analyzed Article VII, Section 7, defining the conditions under which taxes can be levied for necessary governmental expenses without a vote of the people.[7] We ultimately determined that the operations of a unified county government could be financed successfully and effectively without violating any of these provisions of the Constitution.

But one provision of the Constitution had a direct impact on the structure of unified government which we are recommending.

Article V, Section 3, of the North Carolina Constitution, concerning uniformity of taxation, seems to make it impossible for a county governing board to levy a higher tax rate in one part of the county than another, even if the higher rate is in return for additional services provided.[8] The county-wide tax rate must be uniform. If additional taxes are required in an area to pay for additional services, then a separate municipal corporation must be formed with authority to impose such additional taxes as are necessary.

We propose a solution which is constitutional and yet makes possible all the substantial benefits of unification. We propose first of all that the Unified Commission shall, each year, determine the minimum level of

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[6]Byrd, "Constitutional Problems in Finance: Special Purpose, Necessary Expense and Public Purpose."

[7]Ibid.

[8]Byrd, "Report on Legal Aspects of Special Taxing Districts." See also the discussion on page 34.

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service to be provided throughout the county for each function performed within the county. We then propose that urban districts be established in those parts of the county where a higher level of service than the minimum is required. Each such district would have a governing board appointed by the Unified Commission, and this governing board would have the independent power to determine what additional services are required by the people of the district, to contract with the unified government for the provision of such additional services to the residents of the district, and to determine the amount of taxes which would have to be raised from the residents of the district to pay for such additional services. All services would then be administered by the unified government, but each district would determine the additional services it desired and provide the money to pay for such services through taxation.

One remaining section of the Constitution had to be considered from a technical point of view. More than forty years ago, in an effort to reduce the work load of the General Assembly, the people of North Carolina approved Article II, Section 29 of the Constitution, limiting the power of the General Assembly to enact private, local and special legislation applying to a number of classes of subject matter. While the listed subjects of legislation embrace some of the functions of local governmental units, we have concluded that the proposed charter is not in violation of Article II, Section 29, for the following reasons:

1. The Constitution has been held to give the General Assembly unlimited power to provide for the creation, boundaries and powers of local governmental units. Article II, Section 29 has been held not to

limit this power.[9]

2. In the creation of governmental units and the definition of their powers, the General Assembly must necessarily provide in a comprehensive fashion for all powers and functions. Therefore, a charter providing for the creation of a governmental unit must necessarily deal with all the powers of the unit, and it is not a special act relating to "the laying out of streets" or "health, sanitation and the abatement of nuisances" but is a special act relating to the organization and powers of a governmental unit. The Supreme Court took this view in the only case in which the issue was discussed, saying that the Constitution did not limit the general power of the General Assembly to create municipal corporations and that this power must include the power to deal with all aspects of the creation.[10]

3. In its interpretation of Article II, Section 29, the Supreme Court of North Carolina has from the first hesitated to give an interpretation to this section which would have the result of limiting the power of the General Assembly with respect to legislation whose subject matter was not clearly within the language of the section. For example, even in the early cases, the Supreme Court hesitated to declare legislative acts providing for the financing of roads and bridges unconstitutional under this section because the result would be to place a limitation on the power of the General Assembly to provide for the financing of local governmental functions.[11] This attitude is in keeping with the position that the section should not be interpreted to impose a new limitation on the power of the General Assembly to provide for the creation of new local governmental units.

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[9] See Mathews v. Blowing Rock, 207 N.C. 450, 177 S.E. 429(1934).

[10] Ibid.

[11] See Note, 36 N. C. Law Review 537 ( ) and the cases cited therein. See also Memorandum to the Durham City-County Charter Commission, "Constitutional Provisions Requiring Uniform General Laws."

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[9] See Mathews v. Mowing Rock, 207 N.C. 150, 177 S.E. 129(1934).

[10] Ibid.

[11] See Note, 30 N. C. Law Review 537 ( ) and the cases cited therein. See "Constitutional

We think that the charter providing for unified government is constitutional in the form in which it is being submitted to the people of Durham County. In order to eliminate any technical questions concerning the constitutionality of the charter as legislation, however, we propose that upon adoption of the charter by a vote of the people, the legislative delegation from Durham County should be asked to submit the charter to the General Assembly for ratification.

This charter, then, has been drafted with all the provisions of the North Carolina Constitution in mind. And this Commission, after careful study, is convinced that unified government, as provided for in this charter, is clearly within the powers of the General Assembly of North Carolina.

"Administratively Practical"

Until organizations get very large and very complex, logic indicates that one organization can do a job more cheaply and more effectively than two. Some people have said that logic does not apply to government and that cities and counties traditionally carry out their functions in such different ways that city and county functions cannot be brought together under one legislative board and one chief administrator. But all the evidence that we have seen strongly supports the workability of unification — evidence such as the successful merger of city and county tax functions and city and county health departments in North Carolina, the successful merger of all city and county functions under one administrative head in Baton Rouge, Louisiana, and the successful reorganization of a county to perform county-wide urban functions in Miami, Florida.[12]

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Unification in Durham County does not mean the bringing together of similar governments performing similar functions in the same area. The county performs one group of functions for the benefit of all county residents, and the city does not perform these functions. The city performs a different group of functions in the urban area, and the county does not perform these functions except for some minor appropriations for such purposes as rural fire protection.

Thus unification is simply the bringing together under one governing board of two governments performing different functions in the same general area and for the same residents. The only existing duplication of activity between the city and county governments is in the area of general administration.

We know that unification is not an easy process and that prior preparation is essential. We are convinced, however, that the paralleling administrative agencies of the city and the county can be brought together without difficulty if careful prior preparation is made. In our plan for unification of government in Durham County, we have made ample provision for planning and study before any transfer of functions to the unified government is scheduled to take place, and we are confident that the first unified governing board would take full advantage of this time schedule.

"Politically Sound"

No plan, however sound in its conception, will work unless it has full support from the electorate and full acceptance in principle by the members of the governing board. We could not expect a new idea to please everybody from the beginning. But if unification is approved by the electorate,

and if the people of Durham County give the new board the necessary time to put the plan into operation, we believe sincerely that this plan will demonstrate its long-term advantages to the people of the county.

Acceptance in the first place, though, requires that the plan be one that reflects the needs and desires of the people of the county as a whole, that it ensure a concern for all the people and not just particular groups, and that it not provide for a major shift in political power. Fortunately, in working out such a plan, this Commission itself represents a good cross-section of the Durham voters. We represent all geographical areas in the county. We represent the principal economic sectors of the county. We represent the different attitudes toward government found in the county.

We have sought a way in which sincere differences of opinion and outlook can be worked out in one legislative body so that common objectives can be forged and acceptable ways to reach those objectives can be pursued with the least harmful and unnecessary delays. We believe we have found a way that is workable and worthy of the people's support.

Therefore, we ask that the people of Durham County approach the plan with an open mind; that they compare the advantages and disadvantages of our present structure of government with those of the proposed structure without unconsciously favoring the status quo; that they look at where we are, economically and governmentally, and then at where we should be. Our progress toward where we should be in comparison with our neighboring metropolitan areas in Piedmont North Carolina is obviously unsatisfactory. We believe that unification can speed up that progress. But unification must be wanted by all, must be supported by a majority of the voters of the county, if it is to have a fair trial.

Durham County Unified: What Is It?

In response to our conviction that unified government was needed to lead the people of Durham County in the future, and in response to the power vested in us by the General Assembly, we have drafted a charter defining the organization, powers and functions of a unified county government. Durham County Unified would be a county government, performing all the functions now performed by the existing county government. It would also be vested with all the powers of the City of Durham and empowered to provide urban services throughout the county. But, in order to ensure that the people of the entire county do not have to pay for services which are intended primarily for the benefit of residents of congested urban areas, there is provision for creation of special urban districts within which district residents would receive services that they, and they alone, would pay for.

The charter draws, where possible, on the general laws of North Carolina setting forth powers of cities and counties. It also draws on special acts dealing with Durham County and the City of Durham. And finally it sets forth specifically those provisions concerning organization of the unified government which are necessary to carry out our recommended plan.

The remainder of this report sets forth in some detail the manner in which unified government would work. We have not merely drawn up a plan. We have tried to measure the operations of the plan, to visualize in some detail how it would work. In our deliberations we have tried to give unification a "dry run," so that the charter puts into statutory language a governmental process which has become real to us. We would recommend

Durham County United: What Is It?

In response to our conviction that unified government was needed to lead the people of Durham County in the future, and in response to the power vested in us by the General Assembly, we have drafted a charter defining the organization, powers and functions of a unified county government. Durham County United would be a county government, performing all the functions now performed by the existing county government. It would also be vested with all the powers of the City of Durham and empowered to provide urban services throughout the county. But, in order to ensure that the people of the entire county do not have to pay for services which are intended primarily for the benefit of residents of congested urban areas, there is provision for creation of special urban districts within which district residents would receive services that they, and they alone, would pay for.

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that you not read the charter without first reading this report, for statutory language alone cannot convey the spirit of our thinking.

One thing bears repeating. Throughout the past year this Commission has been studying governmental structure and the impact of the present structure on the conduct of government in the county. We have tried to confine our decisions to the area of governmental organization. We have been concerned that local government have the power to act wherever necessary in the county.

But we have tried not to interfere in problems which were not within our jurisdiction. It is not our job to determine if more services or better services are needed in different parts of Durham County. Presently those decisions are the responsibility of the board of county commissioners and the city council. And if our recommended plan is approved by the voters, those decisions would be the responsibility of the Unified Commission. There is a vast difference between (1) deciding whether government has the powers necessary to meet the problems it faces and (2) deciding whether government has exercised its present powers wisely. The first decision falls within the scope of our assignment; the second does not.

We are happy that this line could be drawn. We believe that the people of Durham County should be able to make a clear decision on governmental structure, and governmental structure alone. If other questions of policy, such as higher taxes for increased services, were included within the plan, the voter could not have a clear choice on the problem of governmental organization.

We therefore recommend our plan for proposed governmental unification to the voters of Durham County for their careful study. The decision is theirs to make, and we have full confidence in their judgment.

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II. Proposed Organization of Durham County Unified

As we begin to set forth the plan of unification in detail, we want to make one further general observation. We have not developed this plan in a theoretical vacuum. We have tried to test our ideas against all conceivable practical objections, to keep unification as our primary goal, and to change existing processes as little as possible consistent with this goal. Many administrative changes that appear sound and are consistent with unification have been turned down by this Commission simply because they might confuse what we consider our basic and most important proposal.

For example, while we are convinced that unification is a necessary goal for Durham County, we have also recognized that every aspect of government in Durham County need not be reorganized in a slavish interpretation of that goal. We have had excellent schools and health and welfare services under the direction of citizen boards with the board of county commissioners exercising control and supervision only through review and adoption of the budgets for these departments. In recommending a unified county board with the budget-making power for all local governmental functions, we have not felt it necessary to go further and recommend complete unification of the administration of all these functions. Thus, we have left administration of the health, welfare and education functions substantially as they are today because they are giving good service as they are organized. And we have followed the same policy with respect to other board-administered functions.

We have sought to unify policy-making without losing the advantage of wide participation by citizens in government, to unify administration without

II. Proposed Organization of Durham County Unified

losing the advantages of some decentralization, to unify financial control without losing some of the advantages of variety in services rendered.

The Plan in Brief

The basic features of our proposed organization can be summed up very briefly.

...There would be one elected governing board which would serve as the legislative and policy-making board for the entire county.

...Within the present city, where a wide range of services not needed county-wide is now provided, a general urban services district would be formed with a three-man governing board appointed by the Unified Commission. This board would have the power, after the Unified Commission had determined the minimum levels of service to be provided county-wide during the coming year, to determine what additional services should be provided in the densely-populated areas, to contract with the Unified Commission for such services, and to determine the amount of taxes which district residents must pay to finance such services.

...In other parts of the county where services are desired which cannot be made available to everyone in the county, limited urban service districts would be formed to function generally in the manner of the general urban services district. The functions of such districts would be limited to those generally required in still-developing urban areas, fire protection, police patrolling, garbage disposal, and recreation.

...All administrative agencies and departments would be brought under

the unified governing board for budget-making purposes. Departments presently administered by boards would continue to be administered by boards. Departments presently administered by elective officials would continue to be administered by elective officials. All other departments of the city and the county not so administered would be brought together under the control and supervision of a county unified manager who would be appointed by the unified board to serve at the will of the members of the board.

We will be asked whether the necessity for urban services districts does not make our plan cumbersome and whether we could not attain the same objectives through retaining the present city and incorporating new ones as needed. But such an approach would effectively destroy unification. The coordination of planning and policy with respect to future growth and development throughout the county must be vested in one governing board. The district governing boards would not have substantive legislative powers except to determine quality of services needed. They would not have separate administrative departments, personnel and facilities. They would contract for services through the one operational government in the county. Thus unification of administration would ensure administrative coordination as well as much more efficient operation. The result should be better services and a better use of each tax dollar.

The Durham County Unified Commission

The principle of unification demands a governing board elected by all the voters of Durham County to act for all the people of Durham County. One

of this Commission's major problems has been to determine how such a board should be selected.

A governing board elected by all the voters of the county to act for all the people of the county may not necessarily be considered representative of all the people by the voters. Therefore, we have gone to great lengths to eliminate the possibility that any large group of voters or any geographical area of the county would feel that they had no true representation on the unified governing board.

The principles under which we decided the composition, and method of election, of the governing board were these:

...That to emphasize unity of purpose and the objective of one board acting for all the county, all the members should be voted on by all the voters of the county.

...That to ensure representation to a cross-section of the voters of Durham County, most of the members should be required to reside in particular geographical areas of the county. That is, candidates for the governing board should "stand from wards" but be voted on by all the voters in the county.

...That to concentrate the attention of the candidates and of the electorate on the problems of Durham County, and Durham County alone, the election should be conducted on a non-partisan basis without regard to national or state party affiliation.

...That the total membership of the board should be large enough to ensure good representation of all the people of the county, but also small enough to make possible quick and effective legislative action.

...That to ensure a good understanding of the complicated problems of governing Durham County, and an opportunity to put that understanding to use, members of the board should serve for four year terms. But, in order to ensure continuity of experience and that the voters can express more frequently their views on the conduct of government in the county, these members should serve staggered terms so that half the membership of the board is elected every two years.

...That to ensure strong political leadership for the county during the important years ahead, the chairman of the governing board should be elected by all the voters of the county every two years. His election would also give the voters the opportunity to vote on a majority of the board members every two years.

Recommended Composition of the Durham County Unified Commission

In accordance with these principles, we therefore recommend that the Durham County Unified Commission consist of eight members, elected for four-year staggered terms, plus a chairman elected for a two-year term. The chairman would have the right to vote on all issues.

We recommend that seven of the eight commissioners be required to live in specific wards or townships, and that the eighth commissioner be elected by the voters of the county at-large without regard to specific residence.

We recommend the wards or townships shown in Table No. 1 as the residence of the seven commissioners. These boundaries were chosen after careful consideration of the principles of representation by geographical area, by population, and by type of community represented (the present city or "urban areas;" the rapidly-growing areas surrounding the city or "suburban areas;" and the primarily agricultural or "rural" areas).

Table No. 1

Method of Electing the Unified Commission of Durham County

A. MEMBERSHIP OF THE UNIFIED COMMISSION

Community Represented	Boundaries	Estimated 1960 Population	Number of Commissioners
Urban (Present City)			
Ward #1	Present city precincts 14, 15, 16, 17, 18, 19, 21, and 22	22,899	one
Ward #2	Present city precincts 20, 1, 2, 3, 4	20,860	one
Ward #3	Present city precincts 10, 11, 12, 13	17,850	one
Ward #4	Present city precincts 5, 6, 7, 8, 9	17,789	one
		79,398	
Suburban	Durham Township outside the city, Oak Grove Township and Triangle Township	24,210	two
Rural	Mangum, Lebanon and Carr Townships	8,839	one
County at Large		112,447	
	Total Membership		eight

B. CHAIRMAN OF THE COMMISSION

County at Large	one

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B. CHAIRMAN OF THE COMMISSION

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We recommend that the election of the Commission (with the exception of the first election) be held in November of odd-numbered years; that there be a primary election at which two candidates for each Commission seat be nominated; and that there be a general election at which the candidate standing from each ward receiving the highest number of votes be elected.

We recommend that, in order to provide for a prompt transition to unification, the first election be held in May 1961 and that at that election the following commissioners be elected for four-year terms, the member from Mangum, Lebanon and Carr Townships; that member elected from Durham (outside), Oak Grove and Triangle Townships who receives the highest vote; and those two members elected from the Durham (inside) wards who receive the highest vote. The member at large, the other member from Durham (outside), Oak Grove and Triangle Townships, and the remaining two members from Durham (inside) would be elected for two year terms. Beginning at the election in November, 1963, the four members elected at each election would be elected for four-year terms.

We recommend that as the boundaries of the city (or of the general urban services district as it will be) are extended, that the ward boundaries be extended to include the annexed areas, as the Unified Commission deems necessary to maintain proper representation.

We gave careful consideration to a board having more members than nine, to biennial election of all members, to election of all members by the voters at large, to election of some members by wards and some members by the voters at large. We canvassed the methods of selecting city councils

and boards of county commissioners throughout North Carolina and major cities and counties of comparable size throughout the country. We studied in particular the proposals in other communities where unified governments comparable to the Durham plan have been considered. And we are in unanimous agreement that our recommendation would produce a board best able to represent, and act for, the entire county.

In summary, we repeat. We have suggested a board which is representative of the different people, areas and economic sectors of the county; which is to be chosen to act for the entire county, not any part of it; and which is not too small to give good representation and not too large so that effective policy-making is impeded. We have provided for an elective chairman who can provide the vigorous political leadership that the governmental policies of a rapidly-growing county will require. And we have provided for frequent elections to ensure that the influence of the people will continue to be felt where it should be felt — at the polls.

Powers of the Commission

The present county and city governing boards hold and exercise, within their boundaries, at least three major types of powers. These are (1) to provide for governmental services through appropriations in the annual budget and to fix policies for the management of those agencies engaged in providing these services; (2) to raise the money to pay for these services through the levy of taxes and the determination of fees and service charges; and (3) to regulate personal conduct and the use of property in the interests of the health, safety and welfare of the citizens.

In general unification would have these results with respect to governmental powers:

One. The Unified Commission would be given the power to perform all services now provided by both the city and the county anywhere in the county. The Commission would then determine which of these services would be provided by the unified government with financial support from county unified revenues, and the level at which such services would be provided. The Commission would also have the power to provide, by contract, either a higher level of these county-wide services, or completely different services, to the urban services districts. Thus, all governmental services in the county would be provided through the Unified Commission, and the Commission would either directly or indirectly have control over the quality of services made available anywhere within the county. At anytime that the Commission believed that a service made available through districts should become county-wide, it could make the change through an appropriation in its annual budget.

Two. The Unified Commission would be given the power to levy property taxes, and to determine fees and service charges, necessary for the support of county unified functions. The urban services district governing boards

would have the power to levy property taxes, and to determine fees and service charges, necessary for the support of district functions. No power to levy new taxes would be vested in either the Unified Commission or the district governing boards, but some existing taxing powers would necessarily have to be adjusted. The distribution of taxing powers upon unification are discussed at more length in the section analyzing the financing of unified government, but the following generalizations should be made here:

1. The Unified Commission would be given the same taxing powers now held by Durham County plus the authority to levy taxes for the support of any function now performed only by the city but which might be extended county-wide.
2. The Unified Commission would be given the power to fix fees and service charges for the support of functions transferred to the county as a result of unification.
3. The general urban services district governing board would be given the same power now held by the city to levy property taxes, poll taxes, and privilege license taxes, and to fix fees and service charges for the support of functions it supports.
4. The limited urban services district governing boards would be given a limited power to levy property taxes.

Because the county unified would be the only government with the personnel to provide services, it would have the sole responsibility for collecting all taxes, fees and service charges levied or imposed by either the Unified Commission or an urban services district governing board.

Three. The Unified Commission would be given all the powers to regulate personal conduct and the use of property now vested in the county

and city governing boards. No district board would have the power to enact any type of regulatory ordinance. Thus all ordinanced, whether they are intended to govern disorderly conduct, or to control the subdivision of land, or to fix minimum standards for the construction of new buildings, or to determine restrictions on the use of the streets for parking, would be passed by the elected, county-wide governing board. The charter gives the Unified Commission the permissive authority to exercise all these powers throughout the county except with respect to control of the use of streets and parking. Because the State Highway Commission presently has authority to provide for the construction and maintenance of streets and highways outside the city, to provide for traffic control, and to regulate parking, and because we believe that no change should be made in this state-wide division of responsibility for streets and highways, the charter provides that the Unified Commission shall have all the authority of the present city for regulating the use of streets and parking only within the boundaries of the general urban services district.

Four. The Unified Commission would be given the power to appoint all members of administrative, advisory and regulatory boards and commissions who are now appointed either by the board of county commissioners or by the mayor and city council. Except for some reorganization necessary to put planning on an effective county-wide basis, and to unify policy-making for the libraries, this commission is not suggesting that any existing boards be reorganized or abolished.

Thus, all governmental powers now vested in the county and the city would be brought together and vested in the Unified Commission. The urban services districts would have only the powers necessary to determine what supplemental or additional services should be provided within their boundaries and to provide the money to pay for such services. We have

outlined those services which districts could provide for in the next section of this report.

With the permissive power to provide for all governmental services when they are needed and where they are needed; with the permissive power to create urban services districts where area residents want and are willing to pay for services which the county cannot provide county-wide; with the permissive power to enact the full range of ordinances needed to coordinate rapid urban growth; with the permissive power to coordinate services and regulations to the end that government can encourage and stimulate sound urban growth wherever it occurs within the county; with all these powers vested in a Unified Commission concerned with the good government and future development of the entire county, then we believe that the future will be in the hands of the people of Durham County without the obstacles imposed by the present antiquated structure of government.

Where the power to act exists, and that power is vested in a governing board broadly representative of all the people, then responsibility for the future is placed where it belongs -- in the people. Our plan does not determine legislative policy; rather it clears the way so that effective legislative policy governing the entire community can be made.

The Chairman of the Unified Commission

As we have noted before, the chairman of the Unified Commission would be elected by all the voters of the county at large for a two-year term. He would preside over all meetings of the Commission, cast a vote on all matters coming before the Commission, and serve as the chief political and ceremonial head of the county. He would not, however, have any administrative powers or duties.

Perhaps some further discussion of the chairman's functions would be helpful. Our plan proposes to maintain the governing board-manager plan of

government whereby the elected commission passes all legislation and fixes all policy concerning the government of the county. The commission would appoint a manager to administer these policies. But there is a relationship between the commission and the public which is not either legislative or administrative in character. From time to time the Unified Commission, in the interests of the entire county, would propose programs, projects and services which would require additional tax levies, bond issues, or support for regulatory action of the Commission. Directly or indirectly the Commission would want to seek an expression of support from the people of the county before following through on these projects.

This function of leadership, of continuing contact with key persons and groups within the county and of positive support of and advocacy for particular Commission decisions, is not a proper one for an appointed manager. It is a difficult one for individual commissioners to carry out. In our examination of city and county government throughout this state and country, we have been struck with the fact that a chairman or mayor elected by all the voters usually gives better political leadership than a chairman elected by and from the membership of the governing board. We have also found that where there is a strong elected representative of the governing board, the policies of that governing board are better understood and more likely to be carried to the people as a whole effectively. We have also been struck by the fact that the manager plan works more effectively where there is no pressure on the manager to attempt public leadership.

Thus the elected chairman is not suggested to take over or infringe upon the traditional role of the manager as the administrative head of government. He is not to participate in administration except as a member of the governing board. But he is to provide the acknowledged political leadership for the unified government.

The County Unified Manager

In defining the role of the chairman, we have helped to define the role of the manager. He would be appointed by the Unified Commission to serve at the will of that body in carrying out the policies fixed by the Commission. He would have the following primary duties, common to the city and county managers today, of (1) administration of all county unified offices, positions and departments not otherwise administered; (2) responsibility for ensuring that the state laws and county unified ordinances and policies are faithfully carried out; (3) recommending to the Unified Commission programs, policies, and measures which he considers wise; (4) reporting frequently to the Unified Commission on governmental operations and the financial condition of the county, and (5) such other functions as may be required of him by the Commission.

With respect to those functions over which the manager is given full supervision and control, the manager would have the power to appoint all department heads and employees, as both the city and county managers do today. With respect to the administration of those functions where day-to-day operations are under the supervision of appointed boards, the manager would serve (1) to keep the Unified Commission and the appointed boards in close communication; (2) to work closely with such appointed boards and their administrators in the preparation of their budgets for presentation to the Unified Commission; and (3) to seek to establish common personnel policies so that, insofar as practicable, all employees of the county would enjoy substantially the same working conditions, receive substantially the same benefits, and be paid under similar salary scales.

Therefore, while we do not recommend that any formal legal relationships be established between the manager and those departments and agencies administered by elective officials or appointed boards, we believe that, in the best interests of the entire county, these officials and boards should work closely with the manager, and he with them, to the end that there be common agreement on major administrative policies.

Elective Officials

In drafting our plan for unification, we have made no change with respect to the election of the sheriff, clerk of the superior court, the register of deeds, the judge, solicitor and clerk of the recorder's court, the coroner and the township constables.

We are recommending that one elective official be made appointive. The election of the county treasurer dates back to the time when state legislatures sought to establish checks and balances on expenditures by providing for election of the official who disbursed funds so that he could independently examine the validity of appropriations made by the governing board. With great advances in financial management and especially in governmental accounting systems, with centralization of administration under one manager rather than decentralization to dozens of independent departments, and with improvements in the quality and extent of the post-audit, we believe that the need for an elective treasurer has long since disappeared. Our opinion is based on general governmental practice, not on any criticism of the present incumbent as county treasurer of Durham County. We do not believe, however, that the incumbent treasurer should

suffer by this change, and he would be assured of a position with Durham County Unified at a salary at least as high as his present salary.

While we approve of independent selection of all these elective officials, we believe that decisions as to their financial support should continue to be the functions and responsibility of the Unified Commission. Thus we are carrying forward the existing law in the county to the effect that the number and compensation of all deputies and employees of elective officials should be fixed by the Unified Commission.

Appointive Boards

As we have noted several times, we are recommending no change in the administrative responsibilities of existing boards which have been established as the policy-making boards for specific functions. Thus we are making no changes with respect to the powers and functions of the following boards and commissions except as the fact of unification requires some change in appointing power.

...County Board of Education; Board of Health; Board of Welfare; Memorial Stadium Authority; Raleigh-Durham Airport Authority; Housing Authority; Urban Redevelopment Commission; District (now city) Board of Education; Library Board of Trustees.

The power to appoint all members of the Housing Authority, the Urban Redevelopment Commission, and the District Board of Education has, under our plan, been vested in the Unified Commission. The Unified Commission would also appoint the members of the Airport Authority now appointed by the city, or a total of four out of the eight members, the other four

members being appointed by the Wake County Board of Commissioners and the Raleigh City Council. A number of other appointments to boards are now made by the board of county commissioners and the city council. In every case the appointing power would be vested in the Unified Commission. See Charts I and II and Appendix A.

Two changes should be noted. A subcommittee of this Commission carefully studied the administration of libraries in Durham County and recommended that, upon unification, responsibility for all library operations should be brought under one library board instead of the present two. The charter, therefore, provides for the merger of the Durham Public Library Board of Trustees and the Stanford L. Warren Library Board of Trustees.

Furthermore, we are recommending county-wide planning and land use regulation. This step necessitated provisions in the charter creating a county-wide planning board and board of adjustment in lieu of the separate city and county boards now carrying out these responsibilities.

Appointive Officials

At the present time there are a number of department heads and officials appointed by the board of county commissioners and by the city council. Although the precise legal relationship of these officials to the city and county managers, respectively, is not always clear, they work closely with the respective managers, and some of them work under the manager's supervision as provided by law.

In studying the proposed organization of Durham County Unified, we have sought advice from both city and county officials in trying to determine the best overall organizational structure. The Unified Commission will have a much more difficult task than either the present board of county commissioners or the city council. We do not wish to burden the Commission by having too many individual officials reporting directly to it. Yet there

are some officials who carry out functions which are essentially positions of trust for, or on behalf of, the legislative body, and these officials should be appointed directly by the Unified Commission on recommendation of the manager. In this category would fall the clerk, the attorney, the tax supervisor and the tax collector. The charter provides that they shall work closely with the manager and shall be subject to all county budgetary and personnel policies, but they shall be appointed by and report to the Unified Commission.

Because the agricultural extension and home demonstration programs are a joint responsibility of the county and the state, we have provided for appointment of the officials responsible for these programs by the Unified Commission. And because of the special nature of the program for hospitalization of the indigent, we have provided for the appointment of the director of this program by the Unified Commission.

Finally, the board of county commissioners now appoints an assistant solicitor for the Superior Court and the judge of the juvenile court, and we believe that these court appointments should continue to be made by the governing board.

On the other hand, one of the primary responsibilities of the manager is preparation and recommendation of the budget, and control of expenditures authorized by the budget. He cannot, it seems to us, carry out these duties effectively unless he has supervision over all major financial functions. In accordance with this conviction, which is supported by practice in both the city and the county, the charter provides for supervision of all financial functions by the manager and appointment by him of all officials and employees carrying out these functions.

In order to reduce further the number of officials with whom the Unified Commission must deal, we have provided for supervision of the following functions by the county unified manager: civil defense, county home-farm, veterans affairs, and building, plumbing and electrical inspection. Organization for these functions would be the responsibility of the Unified Commission. Supervision and appointment of all heads of departments performing these functions would be the responsibility of the manager.

Overall Organization of Durham County Unified

Charts I and II set forth in simple form the organization we propose for Durham County Unified. Chart I shows (1) the officials to be elected by the voters of Durham County, (2) the officials to be appointed by the Unified Commission, and (3) the boards and commissions to be appointed by the Commission.

Chart II sets forth the appointment, supervisory and liaison responsibilities of the county unified manager. The charter authorizes the Unified Commission to create departments to perform the functions directly under the manager. The heads of departments and agencies created to carry out these functions would be appointed by the manager. With respect to the other officials, boards and commissions, the manager would serve as the representative of the Commission in working out budgetary and personnel policies.

Appointment of Officials and Employees under Charter Compared with Present Systems

In order that there be no confusion on the part of officials and employees of the present city and county, we want to restate the organization of Durham County Unified as it affects the manner in which all employees and officials presently under the county or the city will be chosen. Generally, the following statements sum up the result if the charter is adopted:

...All individual officials presently elected by the voters will continue to be elected by the voters except for the county treasurer.

...All employees presently appointed by individual elective officials such as the sheriff, register of deeds and clerk of superior court, will continue to be appointed by such elective officials.

...All officials and employees presently appointed by boards and commissions, or by department heads appointed by boards or commissions, will continue to be appointed by such boards, commissions or department heads.

...All officials and employees presently appointed by either the city manager or the county manager will be appointed by the manager of Durham County Unified.

...All board members presently appointed by the city council or by the board of county commissioners will in the future be appointed by the Unified Commission.

...Employees and officials engaged in the following functions will be appointed by the manager of Durham County Unified: civil defense; the county home-farm; building, plumbing and electrical inspection; and veterans affairs.

This narrows down the number of officials whose present positions would be affected by unification. At the present time both the city and the county have a manager, a tax collector, a treasurer, and an attorney. In addition the city council appoints an auditor and a purchasing agent, functions which are carried out in the county by the county manager.

We could not presume to tell the Unified Commission in what positions these few existing officials should be placed following unification. But

the charter provides that every full-time official and employee of the city and the county prior to unification shall be employed by the Unified Commission in appropriate duties at a salary and/or compensation not less than such person received just prior to unification.

This is a most important provision and we hope it is clearly understood by every governmental official and employee in the city and the county. It not only represents the thinking of this Commission. It was also recommended by the board of county commissioners and the city council to the General Assembly when the enabling act was passed, and it is specifically provided for in the enabling act in Section 7(A) (3) as follows:[13]

> The city-county government shall be given express responsibility for all functions performed at the time the charter goes into effect by the City of Durham and the County of Durham, and the charter shall provide for employment by the city-county government at the time the charter goes into effect of every employee and full-time officer of the City of Durham and the County of Durham on such date at a salary and/or compensation equal to that received by such employee or full-time officer from the city or county. The intent of this provision is to ensure that no employee or full-time officer of the city or county is deprived of employment as the sole and direct result of adoption of the charter, but shall not be construed to limit the power of the city-county government under the charter to supervise its employees or to require such government to replace every such employee or full-time officer once he has resigned or retired or been discharged for valid reasons under personnel powers set forth in the charter.

It may be said that these job security provisions will postpone the day when significant savings can result from unification. This is not so. Both the city and the county have a consistent turnover in personnel each year. Following unification, as positions become vacant and the duties of such positions can be performed by existing employees of the unified

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[13]Ch. 696, 1959 Session Laws.

government, it would be unnecessary to fill the precise positions vacated. As a general rule, most of the benefits of unification as they permit more efficient operation should be realized within the first year of unification without damage to any particular employee.

This plan and the charter which would put it into effect do not call either for a reduction in the functions of government in Durham County or for an expansion of services. They do not call for the elimination of jobs or for an expansion of jobs. The plan calls for establishing a government which has adequate powers to meet the problems of further rapid urban development, but decisions which would lead to expanded services or reduced services should be made by an elected board representative of all the people.

The appointing power for every elective and appointive official of the present county, and of the present city, governments has been catalogued and is presented in Appendix A. That appendix also shows how each such job or position would be affected by unification. But if a position or office is eliminated, a similar office or position would be provided in the unified government for the office holder.

III. Proposed Organization and Powers of the Urban Services Districts

This Commission would have preferred that there be no other governmental units within the boundaries of Durham County Unified, but a careful study of the North Carolina Constitution and of the financing of local government in the county proved to us that some system of special districts with independent taxing powers would probably be necessary if unification were to be practical and workable under existing constitutional provisions.[14]

Because of the concentration of people, buildings and traffic in the present city, it is obvious that the residents of this highly-developed urban area will continue to need more services, or more intensive services, than residents of the rural or just-developing areas. To the extent that these services benefit the residents of the urban area in particular, it would be inequitable to finance them from the county tax levy.

Furthermore, as pointed out before, our study of the uniform taxing provisions of our Constitution established that the Unified Commission could probably not levy both one county-wide tax rate and one or more additional rates on those persons in urban areas where additional services are provided. Tax rates must be uniform within a governmental jurisdiction, and no satisfactory classification system has been worked out to permit tax rates to vary with services received.

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[14] See Byrd, "Report on Legal Aspects of Special Taxing Districts." As this report to the Commission pointed out, it is not clear to what extent a county-governing board may act ex-officio as the governing board of a special district whose boundaries are all within the county. In our recommendations, we have sought to avoid any proposals whose constitutionality would be uncertain.

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If, therefore, the residents of the urban areas were to continue to receive the higher quality services now provided by the city, then some form of independent governmental agency having independent taxing and spending powers would have to be created. This governmental unit would have to have the power to determine what additional services were needed in urban areas, and to provide the money necessary to pay for such services by taxation.

It was not necessary, however, to create a governmental unit which itself provided these services with personnel employed by the unit and equipment owned by the unit. Thus, we could provide for the advantages of unification in administering services throughout the county, and still meet the constitutional requirement for an independent legislative determination as to what services were needed. This has been accomplished by providing that the governmental unit in the urban area should contract with Durham County Unified for all special services needed within the urban areas.

We emphasize this point. We recognize the need for different levels of service in different types of areas. We recognize that those benefitted should pay for these services. But we believe that the pattern of development and the pattern of services throughout the county as it develops should be determined on a county-wide basis by a county-wide governing board. We believe that all services should be administered by one government. We believe that variety should be provided within a framework which ensures coordinated planning, policy-making and administration; efficiency; and financial equity and stability.

There would be two types of urban district governments. One, encompassing the present city of Durham, wouldbe a general urban services district

If, therefore, the residents of the urban areas were to continue to receive the higher quality services now provided by the city, then some form of independent governmental agency having independent taxing and spending powers would have to be created. This governmental unit would have to have the power to determine what additional services were needed in urban areas, and to provide the money necessary to pay for such services by taxation.

It was not necessary, however, to create a governmental unit which itself provided these services with personnel employed by the unit and equipment owned by the unit. Thus, we could provide for the advantages of unification in administering services throughout the county, and still meet the constitutional requirement for an independent legislative determination as to what services were needed. This has been accomplished by providing that the governmental unit in the urban area should contract with Durham County United for all special services needed within the urban areas.

We emphasize this point. We recognize the need for different levels of service in different types of areas. We recognize that those benefitted should pay for these services. But we believe that the pattern of development and the pattern of services throughout the county as it develops should be determined on a county-wide basis by a county-wide governing board. We believe that all services should be administered by one government. We believe that variety should be provided within a framework which ensures coordinated planning, policy-making and administration, efficiency and financial equity and stability.

There would be two types of urban district governments. One, encompassing the present city of Durham, would be a general urban services district

within which a wide range of services can be provided. The other, adapted for areas which are just undergoing urban development, would be a limited urban services district. The organization and powers of each type of district are described in this section of the report. The section on financing the unified government will analyze those services which should initially, in our judgment, be financed by the districts. And the sections describing the manner in which services would be provided will analyze how the contractual services would be administered.

The General Urban Services District

The plan for unification provides that as soon as the Unified Commission has organized, assumed responsibility for all county functions, and is prepared to take responsibility for the functions of the city, all personnel and equipment of the City of Durham would be transferred to Durham County Unified, the present corporate existence of the city would come to an end, and the Durham General Urban Services District would be established in place of the incorporated city.

The Durham General Urban Services District would be governed by a three-man board, composed of resident voters of the district appointed by the Unified Commission for overlapping three-year terms. Each year's appointment would be made in February. The district board would elect its own chairman from its membership. Administrative personnel would be made available for the use of the district board by the county unified manager, except that the district board, if it wished, could appoint a clerk responsible only to it and retain an attorney. These officials would be responsible to the board for providing information and advice with respect to the annual contract with the unified government, and for

liaison with the unified government in ensuring that the terms of the contract were met satisfactorily. In addition, the county unified manager and other officials of the county would make recommendations and supply information on services to be provided to the district on contract.

This method of organizing urban government, let it be said, is not new. It has been used very satisfactorily in western states and particularly in Los Angeles County, California, where the county by contract performs almost all services for some cities as large as Durham and a wide range of services for most cities in the county.

The charter provides that the boundaries of the general urban services district can be extended by a resolution of the Unified Commission, upon a finding by the Commission that the area annexed requires the services provided within the district. Such annexed areas are not required to be contiguous to the boundaries of the district.

Therefore, these provisions would make it possible, in the future, that only those areas would be annexed to the general services district which required the high quality services made available in that district. It would not be necessary to bring into the district large undeveloped areas lying between two noncontiguous parts of the district until such areas were developed so as to require higher quality services. And there would be no necessity for two or more districts to contract for the same services.

Powers of the General Urban Services District

Our conception of the general urban services district is that it picks up where the county leaves off — with respect to any and all services. The basic idea is this: The county would provide a full range of services needed county-wide. The Unified Commission would determine what services are to be provided county-wide and the level at which they are to be provided. Then, if the minimum level of service or support for any function does not meet the needs of the urban area, the district board could contract with the county for a higher quality of services within the district boundaries. Or, if the county does not provide a service which is desired within the district, the district could contract with the county to the end that such service is made available within the district.

Thus the essential powers of the district would be (1) to review the minimum levels of county-wide services and to determine which of these services should be supplemented in the urban area, (2) to determine what additional services not provided by the county should be provided in the urban area, and (3) to provide for the money to pay for all such services through taxation and other district sources of revenue.

Under the charter broad service powers are given the district, so that the district would have flexibility to meet unanticipated problems. But as a practical matter, we believe the essential responsibilities of the district will be the following:

1. Police Protection. The present city police department would become the basis for the county unified police department. A minimum level of police protection would be financed from county funds. In keeping with the

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principle that there should not be any immediate shift in levels of service or tax responsibilities,[15] we would anticipate that the concentration of foot and motor patrols, traffic law enforcement functions, and the other specialized functions provided now by the present city department would, in the beginning, be provided in the district by Durham County Unified on a contractual basis.

2. Fire Protection. The city department would become the basis for the county unified fire department. While the county would provide a minimum level of service county-wide, initially the expensive full-time companies and equipment now located in the city would have to be supported by the district. The county can never expect to provide an equivalent level of such services from the county tax rate to areas not served by the water system.

3. Streets. We have concluded that it would not be wise for the unified government to assume county-wide responsibility for construction and maintenance of streets. Since responsibility for streets and highways is a matter of basic state policy, we propose no change in that policy, under which the state maintains streets outside the present city. The district would continue to be responsible for the construction and maintenance of non-highway system streets within the district, and would be considered a municipality for the purpose of distribution of gasoline tax proceeds by the state.

4. Traffic Engineering. We believe that initially traffic engineering

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should be a district responsibility, because of its close relationship to street construction and maintenance and because the State Highway Commission presently takes care of traffic control measures outside the city.

5. Garbage Collection and Disposal. This function is primarily required only in heavily-populated areas, and initially tax-supported disposal service would probably be limited to the district.

6. Recreation. Recreation in the city is presently supported from a special property tax levy which has been approved by the people. Until a county-wide tax is approved by the electorate, major responsibility for recreation would be a district responsibility.

7. Libraries. At present there is no authority on the part of the city or the county to use property taxes for library purposes. Until such a tax is voted on the county to use property taxes for library purposes. Until such a tax is voted on by the people of the county, we believe that the district and t e unified county government would have to share library appropriations in approximately the same way that the city and the county do today.

Other functions that the district should expect to support initially include cemeteries and street lighting.

Planning and Utilities

It should be noted that the only major functions now performed by the city which would become county-wide from the outset are planning; land use regulation; building, plumbing and electrical inspection; and the utility system. But these are the keys to sound urban development, and they can become county-wide without resulting in a sharp change in the taxes paid by residents of the city and the area outside t e city. While many of the high quality services which would be initially limited to the district could with benefit be extended to other areas of the county, we believe

that they should not be so extended beyond a minimum level until the people in other areas of the county demand them and are ready to pay for them. We hope and believe that increasing urban development in now-rural areas will produce both a demand for better services and a corresponding increase in taxable wealth so that the unified county government can in time take over increasing financial responsibility for high quality services without sharply increasing the taxes of some persons while reducing others.

Limited Urban Services Districts

At the present time there are several areas outside of the city proper which are ready for, or are undergoing, rapid urban development. As new industrial and residential areas develop, there will be an increasing demand for services not provided county-wide.

The problem of meeting demands from developing urban areas is one of the critical ones in American government today. It is the problem back of this plan for unification. But in suggesting unification to meet Durham's problem head on, we do not want to suggest features which will consciously introduce into Durham County the seeds of its own governmental destruction.

...We do not want to encourage incorporation of independent municipalities and special districts, each formed to meet a particular need in a particular section of the county, thus encouraging a piecemeal attack on essentially county-wide problems.

...We do not want to see governmental units created which will become permanent institutions, concentrating the attention and resources of each new community on essentially neighborhood

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...We do not want to see governmental units created which will become permanent institutions, concentrating the attention and resources of each new community on essentially neighborhood

problems while the more important county-wide problems are neglected.[16]

...At the same time, we want to see every reasonable step taken to ensure that people everywhere in the county get the services they want and need at the time that the need arises.

As our discussion of finance and of utilities will show, we intentionally provided for a county-wide system of utilities, one which was not dependent on issuance of bonds in each new neighborhood for extension of water and sewer lines. Once a local neighborhood is incorporated as a municipality or special district and issues bonds to build its share of a utility system, that political organization tends to be permanent. This splitting up of the county into separate political subdivisions, no one of which is capable of meeting its total governmental needs for the future, must not be allowed to happen.

When, therefore, we say that we have provided for the creation of limited urban services districts, we underline limited. We believe that adequate and equitable financing for the utility system can be secured through service charges and assessment for local lines, and through county-wide bond issues primarily paid for from user charges for major supply and disposal facilities. We believe that the standard of street maintenance provided by

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[16]See Esser, "Report on Governmental Structure in Metropolitan Areas in the United States," for a discussion of what has happened to areas with a multiplicity of governmental units.

the State Highway Department will be sufficient until a community is sufficiently developed to become part of the general services district.

Some services in newly-developing areas can be handled satisfactorily, for a time at least, through contract with individual property owners. Thus we anticipate that the unified government would be able to offer garbage collection and street lights to outlying but developing areas through individual contracts with property owners.

Believing as we do that most needs in rapidly-growing areas can be supplied without separate taxing units, why do we recommend limited urban services districts at all? After very careful study, we believe that the principal reason for giving the Unified Commission the permissive power to establish such districts is that, in the future, development of fire protection facilities satisfactory to residents of different communities in the county may not be within the financial capacity of the unified government. There may be more development in one part of Durham County than in another. There may be a need for establishment of rural fire departments in one community before there is a need in another. For example, a local department has already been established in the Bahama community.

As these communities grow, and as rural fire departments are formed, some departments may want equipment and facilities which the unified government cannot provide to every department in the county, or uniformly to every part of the county. If the community wanting additional equipment and protection is willing to secure additional funds through taxation of property in the community, then there should be a procedure whereby the Unified Commission can establish a limited urban services district in the community

with the power to contract for additional services or equipment and to pay the cost through district taxes. This pattern of locally-supported fire protection districts is developing in many other North Carolina counties, and the flexibility to extend it in Durham County should be within the authority of the Unified Commission.

Providing services to meet varying needs will probably result in varying benefits, and it would not be equitable to benefit some areas of the county at the expense of the average county taxpayer. Thus we have provided in the charter for creation of limited urban services districts primarily to permit the gradual development of adequate fire protection in different areas of the county as need permits. Ordinarily, a rural fire department can serve an area three miles in every direction from the fire station and still permit all property owners in that three mile area to obtain maximum insurance benefits from the existence of the department. It is thus possible, under the charter provisions, to create districts throughout the county so that each area served will receive benefits from fire protection and pay the cost of such protection in proportion to those benefits.

As we have noted, fire protection is not the only purpose for which a limited urban services district could be formed or which a district could support. There may be a desire or need in a particular district for more concentrated police patrolling than the county department can provide under the county-wide appropriation. There may be a desire or need in a particular district for tax-supported garbage collection. There may be a desire or need in a particular district for recreation facilities or parks which the county cannot provide. Any limited urban services district board could, once formed, contract with the unified government for the assignment of a police patrol, part-time or full-time, within the district, or for district-wide garbage collection. And any limited urban services district board, once formed, could request the Unified Commission to call an election in the district to determine whether the district voters will approve authority for the district board to levy taxes for the support of recreation, authority which must be approved by the voters in accordance with Article VII, Section 7, of the North Carolina Constitution.

Because the rate of growth and intensity of development in Durham County will vary, and because the needs of rapidly-growing urban and suburban communities will vary, we have made the Unified Commission's powers with respect to creation of limited urban services districts very broad. A district could be formed upon a finding by the Commission that one or more services were

needed for the health, welfare and safety of the people in the area. Based on similar findings, the Commission could at any time add area to a district, take area from a district, consolidate districts or abolish districts. But it could not establish a limited urban services district any part of which overlaps another such district. Because the only obligation of a limited services district would be to provide funds through taxation for the current year's services under contract, there would be no problem about changing boundary lines for fear that those boundary changes might affect the standing of bonds issued by the district. The limited urban services district would issue no bonds. It would buy all services on contract, and no contract would extend for more than a year at a time.

Each district would be governed by a three-man board, composed of residents of the district appointed by the Unified Commission for three-year overlapping terms. This board would have the power to determine if services of a higher quality than the county-wide minimum are needed within the district, and to contract with the Unified Commission for such higher level of services. Administrative assistance, advice and information would be provided to the district board by the county manager's office and the departments providing service. If necessary, the Unified Commission would have authority to fix minimum levels of service for fire protection, garbage collection, or police patrolling to be provided within a limited urban services district.

Summary

In summary the organization of the two types of districts would permit variation in services provided to different areas in the county according to need without placing an inequitable burden on the county's taxpayers

as a whole. The decisions as to what services above a minimum level are needed would be made by representatives of the areas benefitted, not by the Unified Commission. But this variation would be achieved without affecting the Unified Commission's county-wide approach to county-wide legislative and service needs, and without losing the benefits of administrative efficiency which arise from unification.

IV. Financing Unified Government

This Commission has put a great deal of thought into the problem of financing government. We are aware that the cost of government is relatively high. Today around $17 million, or around 8% of total personal income in the county, is being spent in Durham County annually for all county, city and school purposes. Of course all the revenues to meet these expenditures do not come directly from local taxes and service charges. Over $7 million come from the state and federal governments in the form of school appropriations, grants-in-aid for health, welfare and roads, and local shares of state-collected taxes. Of the overall total, only $6.7 million are raised directly from the taxation of property.

Based on recent estimates that the per capita personal income of the average resident of Durham County is $1,699 (probably a low estimate for city residents and high for rural),[17] the average city resident receives total services equal in value to 9% of his average income. But his local taxes amount to only 4% of his average income. Similarly the outside city resident receives services equal in value to 5% of his average income, while his local tax payments amount to 2.3%. We would not want to see these proportions paid from local taxes increase significantly, and we believe that only through unification can a substantial increase be avoided.

Our analysis of the city and county budgets leads us to conclude that present expenditures are not now being spent wastefully or inefficiently.

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We believe that our board of county commissioners and our city council have been diligent and faithful within the restrictions of our present antiquated governmental structure. If we see places where services might be improved, we also recognize that these improvements as a rule will cost more money and that any decision to provide improved services carries with it the decision, to be made only by the people or their elected representatives, to increase taxes.

Our job is not to replace the board of county commissioners or the city council in making political decisions. Our job, as stated in the enabling act, is "to determine whether the effectiveness of local government can be increased through changes in the structure of city and county government, and to submit a plan for changes in the structure of local government to the voters of the City and County of Durham."[18] The political decision on unification must be made by the voters, and we hope that they will consider very carefully the financial factors involved in the decision.

In looking at the problems facing Durham County in the future and the relationship of governmental structure to the solution of those problems, we have been deeply concerned not only with the physical problems presented by population growth but also with ensuring that new development is sound development. We have recognized throughout that sound development is based (1) on sound planning by government and private individuals and agencies, (2) on governmental services and facilities provided at the right place and at the right time, and (3) on the ability of government to follow through

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Thus, consideration of the financing of unified government must be divided into two phases. First, what would be the immediate effect of unification on the financing of government in Durham County? Secondly, and more important, what would be the long-range effect of unification on the financing of government in Durham County? By long-range we are looking ahead, five to 20 years. It is our purpose to take up these two phases in turn.

Financing Unified Government: The Short-Range Picture

Our first step was to determine how unified government should be financed and how responsibility for meeting the costs of different governmental functions should be allocated. In making this determination we were guided by three major principles.

1. There should be as little change in the existing pattern of property tax responsibility as is consistent with the theory and reality of unification. The purpose of this Commission is not to evaluate the cost and impact of all governmental services in the county and to make value judgments on who should receive what services and how much they should pay. That is the function of the elected representatives of the people. Our job is to evaluate governmental structure and to recommend a plan of government that can make possible effective solutions of the problems the people of the county face. The recommended changes in structure would give the unified government the power to make these judgments and to follow through on them.

2. The unified government should assume financial responsibility for all added functions which are truly county-wide in their impact.

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2. The unified government should assume financial responsibility for all added functions which are truly county-wide in their impact.

3. The residents of urban areas should continue to have financial responsibility for all direct services provided only in urban areas, for those additional services which supplement county-wide services, and for a proportionate part of the cost of administering these services.

On the basis of these principles, we made a careful analysis of the city and the county budgets to see what the result would be if unification were in effect in Durham County today, assuming that generally the same services provided today would continue in effect until changed by the Unified Commission. We recognized that in the course of such a study we would have to make many assumptions that might not reflect the actual course of decisions if unification is adopted. We had to assume

1. That service levels would remain relatively unchanged from the level in effect in 1960-61.

2. That administrative costs would remain relatively unchanged from the total amount appropriated for these purposes in both budgets for 1960-61.

3. That revenues would remain relatively unchanged from the total amount received for 1960-61.

It is obvious that there may be expenditures required in 1962-63 that cannot be anticipated today. It is obvious that some purposes for which expenditures were made in 1960-61 may not require expenditures in 1962-63. It is obvious that the property tax may bring in more — or less — revenue in 1962-63 as a result of growth and development than it does during the current year. And it is obvious that there may be changes in the amounts of state and federal grants-in-aid and state-collected but locally-shared revenues.

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one another out in the total effect upon the first unified budget, but we must call attention to the fact that the variables exist.

Below we have outlined in detail the steps we went through in determining the probable effect of unification upon the cost of government in Durham County for the immediate future.

Illustrative Example of Financing Unified Government — Step One

Examine the city and the county budgets for 1960-61 to determine the extent to which unification would affect present departmental budgets.

Based on this analysis, we reached the following conclusions.

...Unification would have very little effect on the pattern of expenditures in the present county budget. Most county expenditures today go for services which are already county-wide in their impact, such as health, hospitalization, welfare and education.

...The only area in which there are parallel departments performing parallel functions which would be significantly affected by unification is general administration — including management, tax collection, accounting and financial control and legal services. Total expenditures for these functions amount to less than 5% of the total amount expended in the city and county budgets. In view of the statutory requirement that all personnel be continued in employment upon unification, immediate savings in personnel costs for administration are uncertain, although the opportunity for savings would increase every year that unification is in effect.

...The only additional functions which would become truly county-wide in effect are the water and sewer system, building inspection,

dog control, planning and land use regulation, and support of agencies such as the airport. None of these would require immediate large increases in expenditures. Operation of utilities might soon require additional expenditures, but these expenditures would probably be matched by increased operating revenues of the system. In short,, we could not anticipate a large increase in the overall amount of expenditures presently allocated for these purposes in the two budgets today, and the function for which significant increases are soon probable — the utilities — has always been operated on a largely self-supporting basis.

...Unification requires that an expenditure in the present city budget for a function which would become a responsibility of the unified government and have a truly county-wide impact should be supported from revenues of the unified government.

...Where a function would continue to be provided only in urban areas, administration by the unified county should not increase administrative or operating expenditures for such function above the general level now in effect. Construction and maintenance of streets is an example of such a function.

...Where a function would be transferred to the administrative responsibility of the unified county government, but the major impact of the services would continue to be concentrated in the urban areas, some assumptions as to the amount of county-wide support would have to be made. In making such assumptions, the fairest procedure was to assume that the level of services for that function

outside the urban areas would not initially be increased in any significant fashion. At some future time such services might be expanded, but they should be expanded only upon the considered decision of an elected Unified Commission.

...The city council and the board of county commissioners may make specific policy decisions in the budget for 1961-62 which would affect in some particular way the first unified budget. We cannot anticipate such decisions. For example, the city is presently balancing its budget through appropriation of surplus funds. Normally, as soon as an accumulated surplus is depleted, the governing board of a governmental unit must replace appropriated surplus by increasing tax revenues or must economize on service levels. Whether or not there will be an accumulated surplus remaining in the city after June 30, 1962, we cannot tell.

It therefore became clear to us that within the limits we have stated, the immediate effect of unification on the financing of government in Durham County could best be determined by taking the city budget and, <u>for illustrative purposes</u>, allocating expenditures in that budget to either Durham County Unified or to the Durham General Urban Services District in accordance with the principles we stated above. Then, also in accordance with these principles, we should allocate revenues of the city to Durham County Unified and to the Durham General Urban Services District.

<u>Financing Unified Government: Illustrative Example — Step Two</u>

<u>Allocate the budgeted expenditures of the City of Durham for 1960-61 between Durham County Unified and the Durham General Urban Services District</u>

as the first Unified Commission would probably allocate them in accordance with the recommended principles governing unification.

This probable allocation as made by us for illustrative purposes is contained in Table No. 2. We allocated all expenditures so that the total of the amounts allocated was equal to the total budgeted expenditures for 1960-61. It is obvious that some of the allocated expenditures, such as the amount allocated for municipal elections in the spring of 1961, would not be appropriated for district purposes in 1962-63. These expenditures which would probably not be made represent either (1) opportunities for immediate savings or (2) amounts to match needs in 1962-63 which cannot be anticipated today.

It will be noted that expenditures for all administrative functions which would become the responsibility of the unified government have been allocated to the unified government. Of course, the general urban services district should bear a proportionate share of the cost of administering services provided to the district through contract. Later in this example the method by which the general urban service district's proportionate share of administrative expenses was computed for purposes of this example is described.

To summarize, in this step

...We allocated to the unified government all administrative expenditures which would become the responsibility of the unified government, without showing the subsequent re-allocation of a proportion of these administrative expenditures back to the general urban services district.

Table No. 2

ILLUSTRATIVE EXAMPLE, STEP TWO

Allocation of 1960-61 Budgeted Expenditures of the City of Durham Between the Proposed General Services District and the Proposed Unified Government

Expenditure	Total	Allocated to: District	Unified
General Administrative			
Manager	$ 21,900	$	$ 21,900
Mayor and Aldermen	11,960	9,360	2,600
Attorney	23,280	5,000	18,280
Auditor	30,580		30,580
Clerk-Treasurer	7,940	7,940	
Tax Collection	39,680		39,680
Maintenance of Buildings	15,375		15,375
City Garage and Shop	45,465		45,465
Retirement and Social Security, Recommended Pay Increases, etc.	44,748		44,748
Miscellaneous and Contingencies	138,820	2,500	136,320
Total General Administrative	379,748	24,800	354,948
Retirement, Social Security, etc.	315,310	315,310	
Public Works Division	151,500	151,500	
Planning Department	36,600		36,600
Traffic Control and Parking	79,395	72,300	7,095
Sanitary Division	540,575	540,575	
Street Maintenance	406,995	406,995	
City Parkways	24,175	24,175	
Fire Department	558,715	558,715	
Police Department	643,255	630,145	13,110
Dog Pound	14,160		14,160
Building Inspection Department	50,350		50,350
Cemetery Department	102,735	102,735	
Public Relations and Charities	16,800		16,800
Raleigh-Durham Airport	12,500		12,500
Libraries	79,618	79,618	
Civil Defense	4,280		4,280
City-County Charter Commission	10,000		10,000
Ellerbee Creek Dredging	20,000		20,000
Recreation	236,703	236,703	
Miscellaneous	23,590	21,690	1,900
Water and Sewer Fund (Including Debt Service)	2,083,660		2,083,660
Debt Service	709,880	707,512	2,368
Parking Meter Reserve	57,905		57,905
Grand Total	$6,558,449*	$3,872,773	$2,685,676

*This is the total of the budgeted expenditures of the city reduced by the amount of tax costs and penalties.

Table No. 2

ILLUSTRATIVE EXAMPLE, STEP TWO

Allocation of 1960-61 Budgeted Expenditures of the City of Durham Between the Proposed General Services District and the Proposed Unified Government

Expenditure	Total	Allocated to: District	Allocated to: Unified
General Administrative			
Manager	$ 21,900	$	$ 21,900
Mayor and Aldermen	11,960	9,360	2,600
Attorney	23,280	5,000	18,280
Auditor	30,580		30,580
Clerk-Treasurer	7,910	7,910	
Tax Collection	39,680		39,680
Maintenance of Buildings	15,375		15,375
City Garage and Shop	45,165		45,165
Retirement and Social Security			
Recommended Pay Increases, etc.	44,718		44,718
Miscellaneous and Contingencies	138,820	2,500	136,320
Total General Administrative	379,718	24,600	354,518
Retirement, Social Security, etc.	315,310	315,310	
Public Works Division	151,500	151,500	
Planning Department	36,600		36,600
Traffic Control and Parking	79,395	72,300	7,095
Sanitary Division	540,575	540,575	
Street Maintenance	106,995	106,995	
City Parkways	21,175	21,175	
Fire Department	558,715	558,715	
Police Department	643,255	630,115	13,140
Dog Pound	11,160		11,160
Building Inspection Department	50,350		50,350
Cemetery Department	102,735	102,735	
Public Relations and Charities	16,800		16,800
Raleigh-Durham Airport	12,500		12,500
Libraries	79,618	79,618	
Civil Defense	4,280		4,280
City-County Charter Commission	10,000		10,000
Ellerbee Creek Dredging	20,000		20,000
Recreation	236,703	236,703	
Miscellaneous	23,590	21,690	1,900
Water and Sewer Fund (Including Debt Service)	2,083,660		2,083,660
Debt Service	709,880	707,512	2,368
Parking Meter Reserve	57,905		57,905
Grand Total	80,558,118*	$33,872,118	$82,685,618

*This is the total of the budgeted expenditures of the city reduced by the amount of tax costs and penalties.

...We allocated to the unified government expenditures for functions or activities "which are truly county-wide in nature."

...We allocated to the general urban services district expenditure for functions which are now and would continue to be confined exclusively to urban areas.

...We allocated to the unified government a small proportion of the total city expenditures for functions in the performance of which the unified county would provide a minimum county-wide level of service, with the remainder allocated to the districts as a probable contract service.

...We allocated responsibility for debt service to the unified government where the function for which the bonded debt was incurred was being completely transferred to the unified government.

Financing Unified Government: Illustrative Example — Step Three

Allocate the budgeted revenues of the City of Durham for 1960-61 between Durham County Unified and the Durham General Urban Services District as the first Unified Commission would probably allocate them in accordance with the recommended principles governing unification.

This probable allocation as made by us for illustrative purposes is contained in Table No. 3. We allocated all revenues so that the total of the amounts allocated was equal to the total budgeted revenues for 1960-61.

Where revenues are derived from, or have a specific relation to, a particular function, these revenues have been allocated to the government to which the related expenditure was allocated. For example, all cemetery revenues have been allocated to the district. All building permit fees have been allocated to the unified government.

...We allocated to the unified government expenditures for functions or activities "which are truly county-wide in nature."

...We allocated to the general urban services district expenditure for functions which are now and would continue to be confined exclusively to urban areas.

...We allocated to the unified government a small proportion of the total city expenditures for functions in the performance of which the unified county would provide a minimum county-wide level of service, with the remainder allocated to the districts as a probable contract service.

...We allocated responsibility for debt service to the unified government where the function for which the bonded debt was incurred was being completely transferred to the unified government.

Financing Unified Government: Illustrative Example -- Step Three

Allocate the budgeted revenues of the City of Durham for 1960-61 between Durham County Unified and the Durham General Urban Services District as the first Unified Commission would probably allocate them in accordance with the recommended principles governing unification.

This probable allocation as made by us for illustrative purposes is contained in Table No. 3. We allocated all revenues so that the total of the amounts allocated was equal to the total budgeted revenues for 1960-61. Where revenues are derived from, or have a specific relation to, a particular function, these revenues have been allocated to the government to which the related expenditure was allocated. For example, all cemetery revenues have been allocated to the district. All building permit fees have been allocated to the unified government.

We faced some special problems in the allocation of revenue. We had decided, for example, not to recommend that the county take over responsibility county-wide for construction and maintenance of streets and traffic control devices. We had also decided that only the Unified Commission should have the legislative power. Some revenues now included in the city's budget arise from ordinances regulating the use of streets, such as the penalties paid for violations of municipal parking ordinances and revenue from on-street parking meters. If these ordinances are placed under the jurisdiction of the Unified Commission, as we believe they should, the revenues must accrue initially to the Unified Commission, and the cost of administering these ordinances must be made a county function. But the use of any excess revenues should, in all fairness, be allocated to the Durham General Urban Services District which would bear financial responsibility for all locally-supported street and traffic control functions. The charter, therefore, has a provision which directs the county to credit the general urban services district with the net proceeds arising from control of the use of streets.

Similarly, fees accruing to the county from services made available by the county engineering department and street department have been allocated to the use of the district, even though the fees must be fixed and collected in the future by the Unified Commission. The reason is that these departments will primarily serve the general urban services district alone.

Table No. 3

ILLUSTRATIVE EXAMPLE, STEP THREE

Allocation of 1960-61 Budgeted Revenues of the City of Durham Between the Proposed General Services District and the Proposed Unified Government

Revenue Item	Total	Allocated to: District	Unified
Recreation Fund Revenues	$ 47,433	$ 47,433	$
Water and Sewer Fund	2,083,660		2,083,660
Debt Fund Revenues (99.5% District)	459,000	456,705	2,295
Poll Tax	8,530	8,530	
Payment in Lieu of Taxes	15,000	15,000	
Privilege License Taxes	91,000	91,000	
Bus Privilege Taxes	4,500		4,500
Auto Licenses	19,500		19,500
Officers Fees - Parking Violations*	35,000	35,000	
Cemetery Lot Sales	2,600	2,600	
Cemetery - Digging Graves	21,000	21,000	
Cemetery - Upkeep	7,500	7,500	
Building and Plumbing Permits	20,000		20,000
Electrical Permits	10,000		10,000
Engineering Department Fees*	25,000	25,000	
Miscellaneous Revenues	21,800	7,700	14,100
Dog Pound and Licenses	3,900		3,900
Street Equipment Rental*	3,500	3,500	
State Gas Tax	260,000	260,000	
Parking Meters	65,000		65,000
Interest Earned	18,000		18,000
ABC Profits	96,000		96,000
City Auditorium	10,000		10,000
Intangibles Tax	147,300	147,300	
Beer and Wine Tax	80,000	80,000	
Franchise Tax	56,000	56,000	
Surplus (General Fund)	275,000	275,000	
Totals	$3,886,223	$1,539,268	$2,346,955
Add: Property Taxes (Includes prior years' taxes)	2,672,226**		
Total Revenues	$6,558,449		

*These revenues will be collected by the county unified in carrying out the activity but must, under the charter, be placed to the credit of the district.

**This is the total of the budgeted revenues of the city reduced by the excess of tax discounts and allowances over tax penalties and costs.

Table No. 3

ILLUSTRATIVE EXAMPLE, STEP THREE

Allocation of 1950-61 Budgeted Revenues of the City of Durham Between the Proposed General Services District and the Proposed Unified Government

Revenue Item	Allocated to: Total	District	Unified
Recreation Fund Revenues	$ 147,133	$ 147,133	$
Water and Sewer Fund	2,083,660		2,083,660
Debt Fund Revenues (99.5% District)	1,859,000	1,856,705	2,295
Poll Tax	8,530	8,530	
Payment in Lieu of Taxes	15,000	15,000	
Privilege License Taxes	91,000	91,000	
Bus Privilege Taxes	4,500		4,500
Auto Licenses	19,500		19,500
Officers Fees - Parking Violations*	35,000	35,000	
Cemetery Lot Sales	2,600	2,600	
Cemetery - Digging Graves	21,000	21,000	
Cemetery - Upkeep	7,500	7,500	
Building and Plumbing Permits	20,000		20,000
Electrical Permits	10,000		10,000
Engineering Department Fees*	25,000	25,000	
Miscellaneous Revenues	21,800	7,700	14,100
Dog Pound and Licenses	3,900		3,900
Street Equipment Rental*	3,500	3,500	
State Gas Tax	260,000	260,000	
Parking Meters	65,000		65,000
Interest Earned	18,000		18,000
ABC Profits	96,000		96,000
City Auditorium	10,000		10,000
Intangibles Tax	14,300	14,300	
Beer and Wine Tax	80,000	80,000	
Franchise Tax	56,000	56,000	
Surplus (General Fund)	275,000	275,000	
Totals	$3,886,223	$3,539,268	$346,955
Add: Property Taxes (Includes prior years' taxes)	2,672,226**		
Total Revenues	$6,558,449		

*These revenues will be collected by the county unified in carrying out the activity but must, under the charter, be placed to the credit of the district.

**This is the total of the budgeted revenues of the city reduced by the excess of tax discounts and allowances over tax penalties and costs.

One of our primary principles was that there should be as little shift in the pattern of property tax responsibility presently in effect in Durham County as is consistent with the theory and reality of unification. In holding fast to this principle, we have sought to balance transfers of expenditures to the unified government with transfers of revenue as nearly equal to expenditures as possible. On this basis, we have allocated all the city's share of ABC revenues to the unified government, remembering that expenditures by the unified government are of benefit to residents of the urban area just as directly as expenditures by the general urban services district.

Financing Unified Government: Illustrative Example -- Step Four

Bring together the total anticipated expenditures and revenues for Durham County Unified, as determined in Steps Two and Three of the illustrative example, into a single statement of probable expenditures and revenues for the unified government if unification were in effect in 1960-61.

This statement of probable expenditures and revenues for the unified government if unification were in effect in 1960-61 is contained in Table No. 4.

There were several ways in which the general urban service district's proportionate share of the cost of administration could have been computed. We determined that the fairest procedure would be to allocate the costs of administration on the basis of the proportion that the total operating expenditures of the district (represented by the total cost of services contracted from the unified government) bore to the total operating expenditures of the unified government. In computing the total operating costs for services to the district, we excluded expenditures for district

Table No. 4

ILLUSTRATIVE EXAMPLE, STEP FOUR

Statement of Proposed Expenditures and Revenues of the Proposed Unified Government

Expenditures	Total	1960-61 Budget Source County	City
Administrative Expenses			
Manager	$ 37,789	$ 15,889	$ 21,900
Governing Board	6,275	3,675	2,600
Attorney	22,414	4,134	18,280
Accountant	41,403	10,823	30,580
Treasurer	6,229	6,229	
Tax Collection	125,569	85,889	39,680
Maintenance of Buildings	15,375		15,375
Garage and Shop	45,465		45,465
Recommended Pay Increases	15,180		15,180
Retirement and Social Security	59,483	33,000	26,483
Miscellaneous and Contingencies	197,048	57,643	139,405
Total Administrative Expenses	572,230	217,282	354,948
Planning and Zoning	47,755	11,155	36,600
Garbage Disposal	544,425	3,850	540,575
Police Protection and Sheriff	742,406	99,151	643,255
Building, Plumbing and Electrical Inspection	63,858	13,508	50,350
Raleigh-Durham Airport	25,000	12,500	12,500
Water and Sewer Fund	2,083,660		2,083,660
Debt Service	1,054,456	1,052,088	2,368
Courts	234,764	234,764	
Register of Deeds	29,994	29,994	
Home Economics and Agriculture Agents	24,401	24,401	
Fire Protection	609,015	50,300	558,715
Courthouse and Jail	86,689	86,689	
Libraries	120,167	40,549	79,618
Property Revaluation	50,000	50,000	
Special Appropriations	50,725	50,725	
Outside Poor	18,825	18,825	
Director of Hospitalization	11,915	11,915	
Hospital Operating Fund	125,000	125,000	
Board of Health Fund	215,614	215,614	
Welfare	849,412	849,412	
County School Fund	382,173	382,173	
City School Fund	610,246	610,246	
Other	145,838	65,198	80,640
Public Works	151,500		151,500
Traffic Control	72,300		72,300
Parking Meters and Parking Meter Reserve	65,000		65,000
Street Maintenance	431,170		431,170
Cemetery Department	102,735		102,735
Recreation	244,893		244,893
Recommended Pay Increases, Social Security and Retirement, etc.	315,310		315,310
Total	$10,081,476	$4,255,339	$5,826,137*

(Continued)

Table No. 4

ILLUSTRATIVE EXAMPLE, STEP FOUR

Statement of Proposed Expenditures and Revenues of the Proposed Unified Government

Expenditures	Total	1960-61 Budget Source: County	City
Administrative Expenses			
Manager	$ 37,709	$ 15,889	$ 21,900
Governing Board	6,275	3,675	2,600
Attorney	22,144	4,134	18,280
Accountant	41,609	10,623	30,580
Treasurer	6,229		
Tax Collection	125,569	85,869	39,680
Maintenance of Buildings	15,175		15,375
Garage and Shop	16,165		16,165
Recommended Pay Increases	15,180		15,180
Retirement and Social Security	59,489	33,000	26,489
Miscellaneous and Contingencies	197,048	57,643	139,405
Total Administrative Expenses	572,230	214,252	358,978
Planning and Zoning	47,755	11,155	36,600
Garbage Disposal	514,425	3,850	510,575
Police Protection and Sheriff	712,406	99,131	613,275
Building, Plumbing and Electrical Inspection	63,858	13,508	50,350
Raleigh-Durham Airport	25,000	12,500	12,500
Water and Sewer Fund	2,083,660		2,083,660
Debt Service	1,051,416	1,048,648	2,768
Courts	231,781		
Register of Deeds	29,994		
Home Economics and Agriculture			
Agents	21,401	21,401	
Fire Protection	609,015	50,300	558,715
Courthouse and Jail	86,689	86,689	
Libraries	120,167	40,548	79,618
Property Revaluation	50,000	50,000	
Special Appropriations	50,425	50,425	
Outside Poor	18,825	18,825	
Director of Hospitalization	11,915	11,915	
Hospital Operating Fund	125,000	125,000	
Board of Health Fund	215,611	215,611	
Welfare	849,412	849,412	
County School Fund	382,173	382,173	
City School Fund	610,216	610,216	
Other	145,938	65,438	80,500
Public Works	151,500		151,500
Traffic Control	72,300		72,300
Parking Meters and Parking Meter Reserve	65,000		65,000
Street Maintenance	431,170		431,170
Cemetery Department	102,735		102,735
Recreation	214,893		214,893
Recommended Pay Increases, Social Security and Retirement, etc.	315,310		315,310
Total	$10,061,175	$4,259,339	$5,801,837

(Continued)

Table 4 continued:

Revenues	Total	1960-61 Budget Source: County	City
From Existing County Property Taxes:			
1960 Levy	$ 3,082,912	$ 3,082,912	
Prior Years' Taxes	145,000	145,000	
	3,227,912	3,227,912	
From Other Existing County Sources:			
Intangibles Tax	135,000	135,000	
ABC Profits	215,000	215,000	
Available Surpluses	169,669	169,669	
Miscellaneous Revenues	34,929	34,929	
Beer and Wine Licenses	30,000	30,000	
Fees of County Officers	85,500	85,500	
Poll Taxes	24,999	24,999	
Recorder's Court	82,231	82,231	
Refunds	23,500	23,500	
County Home	14,100	14,100	
State of North Carolina	65,000	65,000	
Fines and Forfeitures	115,000	115,000	
Debt Service Revenues	25,000	25,000	
Dog Taxes	7,499	7,499	
	1,027,427	1,027,427	
From Sources Acquired from City:			
Water and Sewer Fund Revenues	2,083,660		$2,083,660
ABC Profits	96,000		96,000
Bus Privilege Taxes	4,500		4,500
Auto Licenses	19,500		19,500
Parking Meter Revenues	65,000		65,000
Building, Electrical, Plumbing Permits	30,000		30,000
Interest Earned	18,000		18,000
Miscellaneous Revenues	28,000		28,000
Debt Service Revenues	2,295		2,295
	2,346,955		2,346,955
From Contractual Payments by District:			
For Administration and Overhead	237,189		237,189
For Other Services	3,140,461		3,140,461
	3,377,650		3,377,650
From Additional Property Tax Levy:	101,532	101,532	
Total of All Revenues**	$10,081,476	$4,356,871	$5,724,605

*This total equals city expenditures allocated to the County Unified (See Table No. 2) and expenditures to provide contractual services to the general urban services district (See Table No. 6).

**Federal and State grants-in-aid are not reflected in either the expenditure or revenue portions of this Table.

Table 4 continued:

Revenues	Total	1960-61 Budget Source: County	City
From Existing County Property Taxes:			
1960 Levy	$ 3,082,912	$ 3,082,912	
Prior Years' Taxes	145,000	145,000	
	3,227,912	3,227,912	
From Other Existing County Sources:			
Intangibles Tax	135,000	135,000	
ABC Profits	215,000	215,000	
Available Surpluses	169,669	169,669	
Miscellaneous Revenues	34,929	34,929	
Beer and Wine Licenses	30,000	30,000	
Fees of County Officers	85,500	85,500	
Poll Taxes	25,999	25,999	
Recorder's Court	82,231	82,231	
Refunds	23,500	23,500	
County Home	14,100	14,100	
State of North Carolina	65,000	65,000	
Fines and Forfeitures	115,000	115,000	
Debt Service Revenues	25,000	25,000	
Dog Taxes	1,499	1,499	
	1,027,427	1,027,427	
From Sources Acquired from City:			
Water and Sewer Fund Revenues	2,083,660		$2,083,660
ABC Profits	96,000		96,000
Bus Privilege Taxes	4,500		4,500
Auto Licenses	19,500		19,500
Parking Meter Revenues	65,000		65,000
Building, Electrical, Plumbing Permits	30,000		30,000
Interest Earned	18,000		18,000
Miscellaneous Revenues	28,000		28,000
Debt Service Revenues	2,295		2,295
	2,346,955		2,346,955
From Contractual Payments by Districts:			
For Administration and Overhead	237,189		237,189
For Other Services	3,140,461		3,140,461
	3,377,650		3,377,650
From Additional Property Tax Levy:	101,532	101,532	
Total of All Revenues**	$10,081,476	$4,356,871	$5,724,605

*This total equals city expenditures allocated to the County Unified (See Table No. 2) and expenditures to provide contractual services to the general urban services district (See Table No. 6).

**Federal and State grants-in-aid are not reflected in either the expenditure or revenue portions of this Table.

debt service and district expenditures for administration. In computing the total operating expenditures of the unified government, we excluded expenditures for county debt service, all expenditures for administration, and the costs of contractual services rendered to the district. The respective percentages derived were then applied to the total cost of administration to determine the share that each governmental unit should support from its revenues. This computation is shown in Table No. 5.

Financing Unified Government: Illustrative Example — Step Five

Bring together the total anticipated expenditures and revenues for the Durham General Urban Services District, as determined in Steps Two, Three and Four of the illustrative example, into a single statement of probable expenditures and revenues for the district government if unification were in effect in 1960-61.

This statement of probable expenditures and revenues for the district government if unification were in effect in 1960-61 is contained in Table No. 6.

It should be remembered that the only personnel who would be directly employed or retained by the district would be the clerk and the attorney. The amounts budgeted for this use are not budgeted in any strict sense. They are amounts presently budgeted by the city which could be used for these purposes. All other services, including administrative, would be provided on a contractual basis by the unified government.

Financing Unified Government: Illustrative Example — Step Six

Determine the probable net transfer of expenditures to Durham County Unified under the illustrative example by comparing the expenditures and

Table No. 5

ILLUSTRATIVE EXAMPLE, STEP FOUR

Computation of Administrative Expenses to be Charged to the General Urban Services District*

	Amount	%
Operating Expenses of Unified Government Exclusive of Contractual Services to District	$4,426,653	58.55
Operating Expenses of District	3,134,056	41.45
Total	$7,560,709	100.00

Total Administrative Expenses	$572,230
Amount Allocated to Unified (58.55%)	335,041
Amount Allocated to District (41.45%)	$237,189

* The distribution of total administrative expenses of unified government was based upon the ratio of total operating costs of functions for which unified government has financial responsibility to the total operating costs of functions for which district government has financial responsibility. Operating expenses for both governmental units exclude costs of administration and debt service.

Table No. 6

ILLUSTRATIVE EXAMPLE, STEP FIVE

Statement of Proposed Expenditures and Revenues of the Proposed General Services District

Expenditures	
Administrative Expenses	
Governing Board	$ 9,360
Attorney	5,000
Clerk-Treasurer	7,940
Claims and Damages	2,500
Contractual Payments to Unified	237,189
Total	261,989
Contractual Payments to Unified	
Elections	13,500
Public Works	151,500
Traffic Control	72,300
Sanitary Division	540,575
Street Maintenance	431,170
Pay Increases, Retirement, Social Security	315,310
Fire Protection	558,715
Police Protection	630,145
Cemeteries	102,735
Recreation	244,893
Library	79,618
	3,140,461
Debt Service	707,512
Total All Expenditures	$4,109,962*
Revenues	
From Existing City Property Taxes	
1960 Levy	$2,431,744**
Prior Years' Taxes	138,950
	2,570,694
From Other Existing City Sources	
Privilege Licenses	91,000
Recreation Fund	47,433
Debt Service Revenues	456,705
Poll Tax	8,530
Payments in Lieu of Taxes	15,000

(Continued)

Table No. 1

ILLUSTRATIVE EXAMPLE, STEP FIVE

Statement of Proposed Expenditures and Revenues of the
Proposed General Service District

Expenditures	
Administrative Expenses	
Governing Board	$ 3,360
Attorney	5,000
Clerk-Treasurer	7,980
Claims and Damages	2,500
Contractual Payments to Unified	237,189
Total	261,929
Contractual Payments to Unified	
Elections	13,500
Public Works	151,500
Traffic Control	72,300
Sanitary Division	510,575
Street Maintenance	431,170
Pay Increases, Retirement, Social Security	215,310
Fire Protection	576,715
Police Protection	830,185
Cemeteries	102,735
Recreation	214,895
Library	73,610
	3,110,801
Debt Service	707,512
Total All Expenditures	$4,109,962*
Revenues	
From Existing City Property Taxes	
1960 Levy	$2,431,710
Prior Years' Taxes	138,950
	2,570,660
From Other Existing City Sources	
Privilege Licenses	91,000
Recreation Fund	417,433
Debt Service Revenues	450,705
Poll Tax	8,530
Payments in Lieu of Taxes	15,000

(Continued)

Table 6 continued:

Officers Fees - Parking Violations	35,000
Cemetery Revenues	31,100
Engineering Department Fees	25,000
Street Maintenance and Equipment	5,500
Other	5,700
State Gas Tax	260,000
Beer and Wine Tax	80,000
Franchise Tax	56,000
Intangibles Tax	147,300
Surplus - General Fund	275,000
	1,539,268
Total All Revenues	$4,109,962

*This total equals city expenditures allocated to the district (See Table No. 2) plus the portion of county unified administrative expenses charged back to the district (See Table No. 5).

**1960-61 levy adjusted for discounts, costs, penalties, and interest reduced by 101,532 net expenditures transferred to the county unified.

Table 6 continued:

Officers Fees - Parking Violations	35,000
Cemetery Revenues	31,100
Engineering Department Fees	25,000
Street Maintenance and Equipment	5,500
Other	5,700
State Gas Tax	260,000
Beer and Wine Tax	80,000
Franchise Tax	56,000
Intangibles Tax	147,300
Surplus - General Fund	275,000
	1,239,568
Total All Revenues	$1,109,968

*This total equals city expenditures allocated to the district (See Table No. 2) plus the portion of county unified administrative expenses charged back to the district (See Table No. 5).

**1960-61 levy adjusted for discounts, costs, penalties, and interest reduced by 10,332 net expenditures transferred to the county unified.

revenues in the Durham County budget for 1960-61 with the estimated expenditures and revenues for Durham County Unified if unification were in effect for 1960-61, as such expenditures and revenues were determined in Steps One through Five of the illustrative example.

This probable net transfer of expenditures to Durham County Unified under the illustrative example showing the effect of unification on the financing of government in Durham County if unification were in effect in 1960-61 is contained in Table No. 7.

The probable net transfer of expenditures to the proposed unified government was determined by subtracting the nontax revenues which were allocated to the unified government in Step Three from the total increased expenditures of the unified government determined in Step Two, as reduced by a transfer of a portion of the cost of administering unified government to the general urban services district, illustrated in Steps Four and Five.

Table No. 7

ILLUSTRATIVE EXAMPLE, STEP SIX

Determination of Probable Net Expenditure Transfer to Proposed Unified Government

Total Budgeted Expenditures of City (Less tax discounts and penalties)	$6,558,449
Less: Amount Allocated to District	4,109,962
Amount Transferred to Unified	2,448,487
Less: Nontax Revenues of City Transferred to Unified	2,346,955
Net Transfer	$ 101,532

Financing Unified Government: Illustrative Example — Step Seven

Determine the effect on the existing county tax rate of the probable net expenditure transfer to the unified government, assuming that the additional amount of revenue necessary to meet the probable net increase in county expenditures would come from an increase in the property tax rate. Make the same determination with respect to the existing city tax rate.

The probable effect on the existing county and city tax rates of establishing unified government, based on the steps set forth in this example and the county and city budgets for 1960-61, is set forth in Table No. 8.

In other words, if unification went into effect this year, without making any allowances for possible savings resulting from unification, we believe that a unified government bearing responsibility for truly county-wide functions could be adequately financed with only a small tax increase. If we were in the position of an elected Unified Commission, we believe that the unified county tax increase would be no more than 3¢ on each $100 of property valuation, while the corresponding decrease for taxpayers within the city on the city (or district) tax rate would be not more than 6¢ on each $100 of property valuation. Thus, with respect to property on the tax books for $10,000, the taxpayer would pay $3 more per year in increased county taxes. If he also lived in the city, he would enjoy a $6 reduction per year in his city taxes, for a net reduction of $3 per year. In view of the substantial savings and other benefits which are possible during the next 5 to 20 years under unification, neither the increase nor the reduction is really significant.

Table No. 8

ILLUSTRATIVE EXAMPLE, STEP SEVEN

Determination of Effect on Existing County and City Tax Rates of Probable Net Expenditure Transfer to Proposed Unified Government

1. Unified Government:

Net Increase in Expenditures	$ 101,532
Total additional property tax rate required*	.0337
Basic county rate	1.03
Add: additional tax rate	.0337
Resulting Total Unified Tax Rate	$ 1.0637

2. District Government:

Net Decrease in Expenditures	$ 101,532
Total tax rate reduction permitted**	.0598
Basic city rate	1.5000
Less: reduction in tax rate	.0598
Resulting Total District Tax Rate	$ 1.4402

*Based on county's present assessed valuation of $322,000,000, with current collections estimated at 93.5%. A 1¢ levy will yield $30,107.

**Based on city's present assessed valuation of $183,700,000, with current collections estimated at 92.5%. A 1¢ levy will yield $16,992.

Allocation of Bonded Indebtedness

Our illustrative example was based on the assumption that the Durham General Urban Services District would retain responsibility for paying off all bonds heretofore issued by the City of Durham except for bonds issued for water and sewer facilities and for bonds issued to construct the city garage. Since full responsibility for the utility systems would become the function of Durham County Unified, and since the debt service on bonds issued to build these systems is presently paid for from system revenues, it was considered to be only fair that responsibility for this indebtedness should be transferred to the county. In the case of the garage, it was assumed that savings in the maintenance of all motor vehicles would result from centralized administration of maintenance. Under such administration, the cost of capital facilities would of course be included in charges made by the garage back to each operating department for vehicle maintenance.

Table No. 9 shows the indebtedness of Durham County as of June 30, 1960, and the indebtedness which the county would assume if unification went into effect during this fiscal year. Since all of the principal and interest on water and sewer bonds is presently met from water and sewer revenues, this transfer would not result in an increase in the county tax rate. The annual principal and interest requirements for the garage bonds are slightly over $2,000 a year, and part of this amount will be recovered in the contract for administrative services with the district. The unified government, under the charter, would have full responsibility for issuing revenue bonds and for managing all facilities financed by such bonds, which are redeemable only from facility revenues.

Table No. 10 shows the indebtedness of the City of Durham as of June 30, 1960, and the resulting indebtedness of the Durham General Urban Services District if unification went into effect during the current fiscal year.

Allocation of Bonded Indebtedness

Table No. 9

Outstanding Indebtedness of Durham County Compared to Proposed Indebtedness of Proposed Unified Government

As of 30 June 1960

Purpose	County	County Unified
For Nonschool Purposes:		
Hospitals	$ 1,600,000	$ 1,600,000
Memorial Stadium	440,000	440,000
Courthouse Annex	197,000	197,000
Total	2,237,000	2,237,000
For School Purposes	9,283,000*	9,283,000*
City Indebtedness Assumed:		
Garage		28,000
Sewer		5,912,333
Water		5,911,333
Total		11,851,666
Revenue Bonds		475,000
Total of All Indebtedness	$11,520,000	$23,846,666

Table No. 10

Outstanding Indebtedness of City of Durham Compared to Proposed Indebtedness of Proposed General Services District

As of 30 June 1960

Purpose	City	General Services District
General Obligation Bonds:		
Streets	$ 3,586,000	$ 3,586,000
Land Rights - Highways and Streets	232,833	232,833
Cemetery	1,000	1,000
Fire Department	721,500	721,500
Parks	6,000	6,000
Bridges and Drains	82,000	82,000
Recreation	328,000	328,000
Incinerator	350,000	350,000
Police Department	410,000	410,000
Sidewalk	139,000	139,000
City Hall	90,000	90,000
Sanitary Department Building	100,000	100,000
Sewer	5,912,333	
Water	5,911,333	
Garage	28,000	
Total of All Indebtedness	17,897,999	6,046,333

* This does not include $6,000,000 of bonds authorized for school purposes but not yet issued.

Table No. 9

Outstanding Indebtedness of Durham County Compared to
Proposed Indebtedness of Proposed Unified Government

As of 30 June 1960

Purpose	County	County Unified
For Nonschool Purposes:		
Hospitals	$ 1,600,000	$ 1,600,000
Memorial Stadium	440,000	440,000
Courthouse Annex	197,000	197,000
Total	2,237,000	2,237,000
For School Purposes	9,283,000*	9,283,000*
City Indebtedness Assumed:		
Garage		28,000
Sewer		5,912,333
Water		5,911,333
Total		11,851,666
Revenue Bonds		475,000
Total of All Indebtedness	811,520,000	823,845,666

Table No. 10

Outstanding Indebtedness of City of Durham Compared to Proposed
Indebtedness of Proposed General Services District

As of 30 June 1960

Purpose	City	General Services District
General Obligation Bonds:		
Streets	$ 3,586,000	$ 3,586,000
Land Rights - Highways and Streets	232,833	232,833
Cemetery	1,000	1,000
Fire Department	721,500	721,500
Parks	6,000	6,000
Bridges and Drains	82,000	82,000
Reforestation	328,000	328,000
Incinerator	350,000	350,000
Police Department	420,000	420,000
Sidewalk	139,000	139,000
City Hall	90,000	90,000
Sanitary Department Building	100,000	100,000
Sewer	5,912,333	
Water	5,911,333	
Garage	28,000	
Total of All Indebtedness	17,895,999	6,016,333

* This does not include $6,000,000 of bonds authorized for school purposes but not yet issued.

By the time unification would take place in 1962, the indebtedness for water and sewer purposes will have been reduced by approximately one and a half million dollars.

There may seem to be inconsistency in the district retaining responsibility for paying off indebtedness for such functions as fire protection while the county unified takes over full responsibility for the fire department. As the charter is drafted, however, there is no inconsistency.

First of all, the charter provides that the county unified cannot make a charge on the district either (1) for the use of property which the city has paid for or for the use of property on which the district is paying debt service, or (2) to establish a reserve for the replacement of such property. In the future it is anticipated that new fire protection facilities and equipment would be purchased by the county unified, and that government would have the authority to make a charge to the district for county unified property made available for district use. And if the county unified uses property on which the district is paying debt service for non-district purposes, the county unified or the limited urban services district concerned would have to make payment to the general urban services district for its proportionate share of the debt service.

Second, the charter provides that if real property transferred to the county unified from the city is sold, and the proceeds of the sale are not re-invested within two years for property serving a similar purpose, then the Unified Commission shall credit the proceeds to the general urban services district.

Since, in the future, all bonds would be issued in the name of the unified government, the Unified Commission would always be able to make the initial

determination as to whether the facilities for which bond proceeds are required should be a county-wide responsibility or the responsibility of the general urban services district. If the Commission believed that the county unified should in the future issue all bonds for fire protection purposes, for example, it would have authority to charge any urban services district in the annual contract for the use of county-acquired facilities. If the Commission believed that the facility was for the primary benefit of the general urban services district, then on agreement with the district board and following approval of the district's voters, the bonds would be issued by the unified government but would be paid for by district taxes and revenues, and only the credit of the district would be pledged. It is anticipated, for example, that capital improvements for street and recreation purposes would initially be considered as primary district purposes.

Limits on Bonded Indebtedness

Transfer of basic responsibility for the utility system would result in increasing the potential obligations of Durham County Unified for capital improvements and in reducing those of the district. As a result, we believe there is a necessity for adjusting the present amount of bonded indebtedness which can be incurred by the county and by the district. At the present time, a city may incur bonded indebtedness in amount equal to 8% of its assessed valuation, not counting bonds which are being fully financed from revenue-producing facilities, such as the water system or the parking lot. The county may incur bonded indebtedness in an amount equal to 5% of its assessed valuation for school purposes, and an additional amount equal to 5% of its assessed valuation for all other purposes.

We propose that the debt limit for the district be reduced from 8% to 5% and that the limit for county unified purposes other than schools be

increased from 5% to 8%. Table No. 11 shows the effect that this change would have on the present debt ratios of the city and the county. Of course debt charged to the district would be charged to the district debt ratio.

In other words we have tried to protect the effective borrowing power of the county unified and the general urban services district, so that the ability of each unit to issue bonds for present city and county purposes is at least as strong after unification as it is today. We have tried to leave the margin for further non-school borrowing at least as high as it is today. Unification will, we believe, have positive advantages in the issuance of bonds in the future for the following reasons:

1. The issuance of bonds by the county unified, instead of by two or more separate governmental units, will signify that more control over the total financial condition of local government in Durham County is possible than in a county with a completely independent city government.

2. The unified government will be able to work with the district board to ensure that the total debt ratio for county unified and district purposes together does not get out of line. Investors look very carefully at the overlapping debt ratio on property in the city, and a high overlapping debt ratio reduces the saleability of both city and county bonds.

3. The control of new development which would be vested in the unified county government should assure investors that the total investment of local government in new development is being kept to the lowest possible amount.

4. All these reasons should contribute to the financial stability of local government in Durham County, result in strengthening the credit rating of local government in Durham County, and eventually result in more favorable interest rates on bond issues in Durham County.

Overall Effect of Unification

As the illustrative example has demonstrated, the short-range financial effects of unification would be these:

1. Unification of all administrative functions and all county-wide functions can be accomplished with a tax increase of no more than approximately 3¢ per $100 of property valuation on the county rate and a corresponding decrease of approximately 6¢ per $100 property valuation on the present city rate. This net effect would be the initial effect, prior to any realization of savings resulting from more efficient administration. We believe that such savings must inevitably result.

Table No. 11

Actual and Proposed Net Debt Ratio
and Tax Levy for Debt Service

Based on Indebtedness as of June 30, 1960

	City	District	County	Unified
Legal and Proposed Ratio of Net Indebtedness to Assessed Valuation - Nonschool Purposes	8.00%	5.00%	5.00%	8.00%
Actual and Proposed Ratio of Net Indebtedness to Assessed Valuation	5.56%	2.39%	.68%	2.51%
Margin for Further Nonschool Borrowing	2.44%	2.61%	4.32%	5.49%
Legal and Proposed Ratio of Net Indebtedness to Assessed Valuation - School Purposes			5.00%	5.00%
Actual and Proposed Ratio of Net Indebtedness to Assessed Valuation*			4.74%	4.74%
Margin for Further School Borrowing			.26%	.26%
Actual and Proposed Tax Levy for Debt Service Requirements	$.1184	$.1178	$.3060	$.3063

*This ratio includees the $6 million for school purposes authorized but not yet issued.

Table No. 12

Actual and Proposed Net Debt Ratio
and Tax Levy for Debt Service

Based on Indebtedness as of June 30, 1960

	City	District	County	Unified
Legal and Proposed Ratio of Net Indebtedness to Assessed Valuation - Nonschool Purposes	6.00%	5.00%	5.00%	8.00%
Actual and Proposed Ratio of Net Indebtedness to Assessed Valuation	2.52%	2.32%	.08%	2.51%
Margin for Further Nonschool Borrowing	3.48%	2.68%	4.92%	5.49%
Legal and Proposed Ratio of Net Indebtedness to Assessed Valuation - School Purposes			5.00%	5.00%
Actual and Proposed Ratio of Net Indebtedness to Assessed Valuation*			4.74%	4.74%
Margin for Further School Borrowing			.26%	.26%
Actual and Proposed Tax Levy for Debt Service Requirements		$3,118%	$3,117%	$3,000 $6,306%

*This ratio includes the $6 million for school purposes authorized but not yet issued.

2. Transfer of utility indebtedness to the county can be effected without increasing the tax rate for debt service and without affecting the ability of the county to issue bonds for nonschool purposes. The net effect of unification should be to strengthen the county's credit rating.

3. Unification would permit the county, in administering all local governmental functions, to extend high quality services to the urban areas and to charge the cost of those services to urban residents as requested by the general urban services district board. At the same time the unified government would immediately have the power to encourage new development anywhere in the county through planned extension of the utility system without additional costs to the urban residents.

While the county-wide tax rate would initially increase slightly, we must remind the taxpayers of Durham County that "an ounce of prevention 'saves' a pound of cure." As we point out in the next section, we believe that the tax benefits of unification would be substantial for every taxpayer in the county. We believe that by 1970 there would be substantial tax savings as a result of (1) more efficient use of the tax dollar through elimination of present, and in particular future, duplication of personnel, equipment and facilities; (2) careful planning to meet the essential needs of new urban areas so that an unnecessarily high capital investment with correspondingly high operating expenses is not incurred; and (3) limiting payment for additional urban services to persons and property owners benefitting from such services.

Financing Unified Government: Long-Range Effects

In order to assess the long-range financial effects of unification, we must refer back to our analysis in Part One of the problems facing Durham County. There we analyzed in some detail the following prospects for the county:

2. Transfer of utility indebtedness to the county can be effected without increasing the tax rate for debt service and without affecting the ability of the county to issue bonds for nonschool purposes. The net effect of unification should be to strengthen the county's credit rating.

3. Unification would permit the county, in administering all local governmental functions, to extend high quality services to the urban areas and to charge the cost of these services to urban residents as requested by the general urban servicee district Board. At the same time the unified government would immediately have the power to encourage new development anywhere in the county through planned extension of the utility system without additional costs to the urban residents.

While the county-wide tax rate would initially increase slightly, we must remind the taxpayers of Durham County that "an ounce of prevention 'saves' a pound of cure." As we point out in the next section, we believe that the tax benefits of unification would be substantial for every taxpayer in the county. We believe that by 1970 there would be substantial tax savings as a result of (1) more efficient use of the tax dollar through elimination of present, and in particular future, duplication of personnel, equipment and facilities; (2) careful planning to meet the essential needs of new urban areas so that an unnecessarily high capital investment with correspondingly high operating expenses is not incurred; and (3) limiting payment for additional urban services to persons and property owners benefitting from such services.

Financing Unified Government: Long-Range Effects

In order to assess the long-range financial effects of unification, we must refer back to our analysis in Part One of the problems facing Durham County. There we analyzed in some detail the following prospects for the county:

1. An expected population growth of 75,000 people by 1980.

2. The locational factors which will determine where these people will live.

3. Despite the unsatisfactory conditions in Durham County with respect to ground water supply and sewage disposal by use of septic tanks, the probability that most of the new growth would come to sections of the county having these problems.

4. In such event, the necessity of developing a public water supply and distribution system and a sewerage system for this area.

5. The acreage requirements for this new population, which emphasized that only a small proportion of the total amount of vacant land in the county would be necessary to accommodate the increasing population.

6. The probable patterns of development.

7. The implications for Durham County if "splattered" development were permitted to happen with respect to (a) quality of development, (b) costs for providing services, and (c) probable effect on continued economic growth.

8. The likelihood that clusters of urban development would be found well removed from the city, and the problems of providing high quality services to such isolated areas.

9. The dangers inherent in the creation of many small, new municipalities and independent special districts to meet health, sanitation or safety problems as they arise.

This analysis in Part One was not based on idle speculation. It was based on a careful analysis of what is happening in rapidly-growing areas all over the United States. Durham is the exception rather than the rule in that we now have, in 1960, the opportunity to look ahead and see what is going to happen. In ten years we will be in the same situation as other urban areas, beset on all sides by the mistakes of the past, the crises of the present, and the chaos of the future.

Long-Range Cost Decisions

It has taken more than 100 years for the City of Durham to reach its present population of 80,000 people. If economic development throughout this end of Piedmont North Carolina meets present high expectations, Durham County will add during the next two decades a total population, and largely an urban population, equal in size to that of the City of Durham today. The primary difference will be that instead of 80,000 people concentrated in one small section of the county, there will be several to many clusters of a few hundred or a few thousand scattered in different areas of the county.

We are not indulging in "scare" tactics when we raise the question: "Who is going to pay for the development of, and services to, these areas?"

It is a serious question, and it is one on which decisions can be reached — perhaps more easily than the answer to the question: "How much is it going to cost?"

Both questions are important and to the point, and are at the heart of the unification idea. Without continued rapid growth, the reasons for immediate unification would be much less compelling. But with rapid growth, unification is, we believe, the only sound solution if our answer to these questions is to be what we think it should be. We think the answer to the questions should be that

1. The cost should be the lowest cost adequate to provide the quality of services needed to assure a healthy community, a convenient community, and an attractive community, one which will continue to encourage development.
2. Insofar as possible the costs should be paid by those benefitting from the special services.

Obviously we cannot project the cost of developing land for industrial, commercial and residential use when we don't know what land will be developed for what and when. But we can ask some questions that helps to put in proper perspective the question the voters of the county must answer.

Do we want to see development take place in the county with inadequate wells and septic tanks serving large subdivisions and then have to make large expenditures to extend public water and sewer supplies to these same subdivisions? Do we want homeowners to have to invest in two utility systems within a short period of years when one would have done the job in the first place?

Knowing that intensive development of the character requiring water and sewer systems can be channeled into areas where such systems can be provided at a reasonable cost, do we want to stand by and let property owners and developers, uninformed as to overall service costs, scatter intensive development in little clusters over a large area so that water and sewer systems to tie these communities together would involve expenditures of two to three times what is necessary? Are we prepared to invest our income, limited as it is, in unneeded pipes in the ground? Yet, are we prepared to say that they are unneeded if one or more of these communities is facing health and sanitation problems, or if we did not authorize our government to discourage intensive development in an area where water and sewer systems could not be easily or efficiently provided?

Knowing that one sewage disposal plant can reasonably serve all of the new intensive development in the Durham area from now until 1980, are we prepared to let development scatter and splatter in such a way that two or more plants, each costing millions of dollars, will be required?

Are we prepared to allow developers and homeowners to install 2-inch water lines to save building costs, and then 10 years from now support our government when these lines must be ripped up and 6-inch or 8-inch lines installed at public expense to provide adequate fire protection?

Are we prepared to see our taxes and water rates rise steeply five or ten or fifteen years from now because we were unwilling to establish a government today which had the power to fix conditions for development so as to make such increases unnecessary?

Are we prepared to see a multiplicity of little municipalities and special districts formed in Durham County, each serving a limited area with limited but expensive services? Are we prepared to pay for the additional costs of duplicating city and town officials, duplicating police and fire departments, duplicating services and facilities of all kinds? Are we prepared to undergo the competition to strengthen inherently weak tax systems in such small, independent municipalities?

Are we prepared to pay heavily tomorrow for the privilege of the status quo today? And are we prepared not only to pay heavily tomorrow, but also to risk the type of unregulated development that could drive new industry or new subdivisions away, to our neighboring counties of Wake and Orange?

These questions are not for us to answer. As individuals we have arrived at our own conclusions, which become evident as we discuss below the alternative that unification offers.

The Alternative

Through unified government, we can

...Utilize the existing water and sewer system of the city as the basis for expansion to meet the needs of 75,000 more people during the next twenty years, without unnecessarily duplicating existing systems and facilities.

...We can initiate county-wide planning, and through comprehensive utility policies and land use regulations channel this new development into areas amply large enough to accommodate the growth — without either unfairly manipulating the land market or investing our

wealth in needless water and sewer lines running willy-nilly across the landscape.

...We can utilize the existing technical skills of the present city departments to extend urban services, as needed, to new urban areas without duplicating personnel and equipment either in a separate county government or in new and weak municipal or district governments.

...We can, through planning, utility policies and land use regulations, concentrate new development so that all services, utility and otherwise, can be provided efficiently.

...Through creation of limited urban services districts and annexation to the general urban services district, and through the various means of financing utilities which would be available to the unified county, we can ensure that property owners receiving the benefit of these urban services pay for them without financing an inequitable share of the cost from the county-wide tax rate.

Unification is not a plan to bring the level of governmental services throughout Durham County up to the level of those in the city. It is not a plan to equalize the costs of government throughout the county. Rather it is a plan to ensure (1) that in the future those in urban areas will continue to pay for special urban services, (2) that everyone in the county will not in the long run have to help pay for the services needed in newly-developing parts of the county, (3) that costs can be equitably shared without waste or inefficiency. Unification permits an efficient government, but at the same time it provides for a politically responsible government.

The decision is for the voters of the county. Unification would cost county taxpayers a few cents today. It would save them dollars tomorrow.

Financing Unified Government: Powers and Procedures

Unification has necessarily required modifications in the laws defining the taxing, fiscal control and finance procedures of the city and the county, so as to give the unified government the powers it needs and to set up procedures which conform to the new governmental structure.

Taxing Powers

The charter does not contain any provisions extending the taxing powers of either the general urban services district or the unified government beyond the property tax and other tax sources now held by the city and county governments with the following minor exceptions:

1. The unified county is given the power to impose the $1 automobile license tax on all vehicles in the county. This power would not produce any significant revenue but it would permit uniformity in identification of Durham County vehicles and uniformity in the records of automobiles in the county.

2. The limited power to levy a local privilege tax on franchised public utilities is transferred to the unified government. Presently the city levies and collects a tax from only the privately-owned local bus company under this power.

Under the provisions of Article V, Section 6, of the North Carolina Constitution, the total of the county tax rate on property "shall not exceed twenty cents on the one hundred dollars value of property, except when the county property tax is levied for a special purpose and with the special approval of the General Assembly, which may be done by special or general act..." Most purposes for which the City of Durham can spend money

have been made special purposes for counties, but not all. The charter specifically authorizes the county to levy property taxes for all functions now performed by the city, and declares many of them, where necessary, to be "special purposes." Therefore, if the unified government wishes to provide county-wide services for fire protection, for example, the authority to spend property taxes for fire protection will be in the charter.[19] As a matter of fact, the county already appropriates funds for a minimum level of county-wide fire protection.

We have studied very carefully the 20¢ tax rate limit incorporated into Article V, Section 6 to see if this limit would restrict the unified government from carrying out functions it might want to support.[20] Even though the general administrative functions of the unified county government have been expanded and might, in part, have to be supported as a constitutional matter from the 20¢ tax rate, the proceeds of that rate plus the nontax revenues made available to the unified government are more than ample to cover present expenditures for which a special purpose tax cannot be levied. The primary function, other than some administrative expenses, which can only be financed from proceeds of the 20¢ tax rate and nontax revenues is law enforcement. Examination of the illustrative example demonstrates that the unified government could, upon a demand for more service from rural and suburban residents, increase county expenditures for law enforcement without violating the constitutional restriction. Of course, those

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[19] For a discussion of the "special purpose" limitations in the N.C. Constitution, see Byrd, "Constitutional Problems in Finance: Special Purpose, Necessary Expense and Public Purpose."

[20] See Byrd, Ibid.

have been made special purposes for counties, but not all. The charter specifically authorizes the county to levy property taxes for all functions now performed by the city, and declares many of them, where necessary, to be "special purposes." Therefore, if the unified government wishes to provide county-wide services for fire protection, for example, the authority to spend property taxes for fire protection will be in the charter.[19] As a matter of fact, the county already appropriates funds for a minimum level of county-wide fire protection.

We have studied very carefully the 20¢ tax rate limit incorporated into Article V, Section 6 to see if this limit would restrict the unified government from carrying out functions it might want to support.[20] Even though the general administrative functions of the unified county government have been expanded and might, in part, have to be supported as a constitutional matter from the 20¢ tax rate, the proceeds of that rate plus the nontax revenues made available to the unified government are more than ample to cover present expenditures for which a special purpose tax cannot be levied. The primary function, other than some administrative expenses, which can only be financed from proceeds of the 20¢ tax rate and nontax revenues is law enforcement. Examination of the illustrative example demonstrates that the unified government could, upon a demand for more service from rural and suburban residents, increase county expenditures for law enforcement without violating the constitutional restriction. Of course, those

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[19] For a discussion of the "special purpose" limitations in the N.C. Constitution, see Byrd, "Constitutional Problems in Finance: Special Purpose, Necessary Expense and Public Purpose."

[20] See Byrd, Ibid.

functions performed by the unified government for districts as an addition or supplement to county-wide functions, would be supported by district taxes which are not subject to the 20¢ limit.

Finally, we should note that the people of the city of Durham have voted the city council permissive authority to levy taxes for the support of recreation. Under the charter this permissive authority would continue to be held by the governing board of the general urban services district. Nor is any change being made in the present authority to levy supplementary taxes for support of the schools.

In summary, the powers of the unified government have been carefully defined to give that government the permissive authority to finance any function which might, in the future, need to be supported in whole or in part on a county-wide basis. But no substantial new taxing powers have been added.

The Durham General Urban Services District would have substantially the same taxing powers now held by the City of Durham, and it would continue to receive the same grants-in-aid and local shares of state-collected taxes now received by the City of Durham. The principal change in its revenue picture would be (1) the transfer to the unified government of substantial service charge revenues (utility revenues constitute the major source) and of the city's share of ABC revenue, and (2) limitations on the purposes for which the district may levy taxes.

Under the charter, the district board is given the authority to determine the fees or service charges to be imposed for services provided to the district by the unified government on contract. The district board,

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for example, would continue to determine the charges to be collected by the unified government for the use of recreation facilities.

Since the needs of limited urban services districts would not be so great, the board of each such district created would only have the power to levy property taxes of up to fifty cents on each $100 of property valuation in the district. These boards would have no other taxing powers, but would have authority to determine fees or service charges to be imposed for services provided to the district by the unified government on contract.

Financing Utilities

While both the city and the county presently have authority to levy taxes for the construction and operation of water and sewer systems, neither levies such a tax at the present time. The systems are presently supported entirely from fees and service charges imposed on the users of the systems. Lines are extended through payments by abutting property owners, voluntarily or through special assessment procedures, for the cost of the major part of the lines.

The county presently holds almost every power for financing utilities enjoyed by the city. To ensure that the unified government would have all the powers to finance utilities presently enjoyed by the city, the charter authorizes the unified government to assess abutting property owners for the cost of water and sewer lines extended to serve their property. It also authorizes the county to require new subdividers or developers to

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install utility lines within new subdivisions. And it authorizes the unified government to fix fees and service charges on a classified basis, so that rates can, if deemed necessary, be varied in direct proportion to the investment required to service a particular part of the county.

We have referred from time to time to the fact that only one government can effectively coordinate overall planning, the basic resulting policy decisions and the administration of those utility and land use policies which are the heart of urban development. Our recommendations establish a framework within which the unified government can plan and provide for utility services when and where they are needed in the county, in the manner which will best serve the interests of the people of the county, and according to financial policies deemed by the Commission to be the most equitable.

Our subcommittee on utilities, having faced squarely the effect that structure had upon the utility system and having recommended unification, went on to add:[21]

> "A government established on this basis would have adequate financial resources to meet future utility needs; it would be inherently capable of achieving coordination between the provision of utility services and other programs and functions; and as a government answerable to the citizens of the entire county it would be politically responsible in the fullest sense.
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> It is not within the province of this Subcommittee to establish rates or to set extension policies. It should be observed, however, that a unified government, with broad and flexible financing powers, would be in a position to provide for the extension of utility services with fairness and equity, both to present users of the system and to new users.
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> Policies on extensions to new users could be established so as to compensate for the investment in major facilities which now exist and which have been financed by present users of the systems."

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[21] Report of Subcommittee on Public Utilities, 22 June 1960.

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We are in hearty agreement with this statement. We cannot make the political decisions on utility expansion and extension policies. But we have provided for the unified government a broad and flexible system of financing powers, so that these representatives of the people have no obstacle in the way of devising a fair system of financing that will put utility lines where they are needed, when they are needed.

Budget Procedures

Unification necessitates modification of fiscal control requirements to fit the new structure of government. But no essential changes have been made in the budget procedure for the unified government from the procedures in use in the county or city today. The same basic law, with necessary structural modifications, would continue to govern preparation and adoption of the budget.

The only new feature would be the relationship between the unified governme and the district. The unified government would administer all governmental services in the county, including those performed on behalf of the general urban services district. Therefore the unified budget would include all governmental expenditures for the entire county except the debt service requirements of the district and the small cost of separately-employed administrative personnel for the district.

Perhaps the best way to summarize the changes in the budget procedure would be simply to outline the processes which would have to be followed upon unification.

1. Initially all department heads would prepare recommended budgets and submit them to the county manager. These recommendations would distinguish between the services which the unified government would support county-wide and those which would continue or modify those being supplied within the general urban services district.

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2. The county manager would consider all departmental recommendations and would submit a recommended county budget to the Unified Commission with a copy to the general urban services district board. This recommended budget would include recommendations for unified purposes, and separate recommendations for urban district purposes.

3. The manager and department heads would make themselves available to both governing boards for discussion and explanation of the budget estimates.

4. The Unified Commission would make a decision on the county-wide level of service to be incorporated into the unified budget for those services which might be supplemented in the district.

5. The district board would determine what services were needed to supplement county-wide minimum services and what additional services not provided at all by the unified government were needed. On the basis of this determination, the district would then enter into a contract with the unified government for the provision of these two types of services.

6. On the basis of its contractual obligations and its debt service obligations, the district board would prepare and adopt its budget for the year. Taxes would be levied by the district board but collected by the unified tax collector. All accounting records would be maintained for the district by the unified government.

7. On the basis of its conclusions with respect to county-wide services and the contract with the district, the Unified Commission would adopt its budget for the year.

We recognize that the procedure calls for extended consultation and agreement between the district board and officials of the unified government. But the result of this process of negotiation should be greater coordination of all services within the boundaries of the county. And since the administration of all services is the responsibility of the unified government, negotiation should always result in workable coordination, and not in failure to act which could result under the present governmental structure.

Issuance of Bonds

The charter provides that while the unified government would issue all bonds, whether county-wide or on behalf of the district, any bonds

issued on behalf of the district must be approved by the district governing board and, in appropriate cases, by a vote of the people residing in the district. The unified government would have no authority to require the district to issue bonds for facilities to be supported by district taxes. Agreement of the district would be essential.

It is our belief that the district would limit its bond issues primarily to purposes which are supported solely within the district. As a practical matter, we believe that most future district bond issues would be restricted to major street and recreation improvements. We believe that for systems which would be progressively expanded to serve new urban areas, in and out of the general urban services district, the unified government may wish to issue county-wide bonds and to charge the district in the annual contract for its proportionate use of these facilities constructed with county-wide bonds.

In Summary

In our efforts to devise a plan of government which could effectively meet the problems of future growth in Durham County and to draft a charter putting that plan into statutory language, we have studied very carefully whether a unified government could be successfully financed within existing constitutional limitations on the power to provide funds for local government through taxation. We have studied very carefully what the impact of unification would be on the taxpayer, both in the immediate future and over a five to 20-year period. We have studied very carefully the procedural changes which would be necessary to provide for an effective budget and fiscal control process.

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Insofar as it has been within our power to make determinations for the future, we believe the charter contains provisions for financing unified government which are constitutionally valid, administratively practical and politically sound. We also believe that the unified government would have the powers necessary to provide for a more equitable sharing of governmental costs by those who are benefitted from urban growth, with the result that the sharing of governmental costs for county-wide services would also be more equitable. We cannot fix in advance the taxing and fiscal policies of the Unified Commission we propose. But we are confident that the elected representatives of all the voters of Durham County could not do less than provide adequate services within an equitable framework of tax responsibility. Unification permits such an equitable framework; our present inadequate structure of government does not.

V. Problems in Administering Unified Government

In the introduction to this report, we listed the many studies of governmental operations in the city and county which have been made for us during the past year. The primary purpose of these studies was to determine whether or not a change in the structure of government would make administration of each service individually, or of all services as a package, more effective. Some of these studies concentrated primarily on the powers of government to meet existing and future problems. Some of them raised questions of administrative policy which contributed to our understanding of the problem of governmental reorganization, but which could not be answered simply through structural reorganization.

Our plan does not attempt to make recommendations on administration or on administrative policy except as the structure of government is necessarily affected. Our objective has been to recommend a government which would have the power to act for the benefit of, and on behalf of, the entire county. Thus our concern with the administration of particular functions has been that the Unified Commission should have the power to make the decisions necessary to ensure effective administration.

We cannot appropriately discuss how services will be provided if unification is approved. Upon unification the pattern of governmental services would be what it is today and remain so until the Unified Commission made positive decisions relating to services. As a general rule, the recommended charter affects power and authority, not exercise of power and authority.

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to predict what all those questions will be. And many of the questions cannot be answered. Many of them will be directed at policy decisions that the Unified Commission, and that Commission only, would have the power to make.

Some provisions of the charter concerning the power to provide particular services or to exercise particular functions should be noted, however. This chapter calls attention to some of those provisions. Later, if necessary, we will issue an administrative annex to the proposed charter listing in detail all the changes we found necessary to give the Unified Commission adequate power to act.

Administering Unified Government: Health, Welfare and Education

Durham County Unified is directed to assume responsibility for all functions now performed by Durham County. Our proposed organization carries forward the same relationships between the Unified Commission and the boards of health, welfare and education that presently exist between the board of county commissioners and these boards. The power of the Unified Commission over these functions would, upon unification, be exactly the same as the power of the board of county commissioners under the present law.

Some administrative changes were made necessary by the fact of unification. These changes are listed in this section.

Education

Because of the recent election on consolidation of the city and county school systems, this commission has made no recommendations concerning the

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Because of the recent election on consolidation of the city and county school systems, this commission has made no recommendations concerning the

schools, and the only changes the charter would make in existing school laws are those necessary to fit the two school systems into the unified structure. The charter specifically provides that unification will make no other changes in school organization. Under the proposed government, the two school systems would retain their present names, their present governing bodies, their present boundaries, and their present tax structure.

Under existing law, the members of the Board of Trustees of the Durham City Administrative School Unit are appointed by the Durham City Council. Since the Durham City Council would cease to exist under the unified government, it was necessary to make adjustments in this provision. The possible alternatives were vesting the appointive power in the Durham County Unified Commission or vesting it in the governing body of the Durham General Urban Services District, the special district which will encompass the present City of Durham. The Durham County Unified Commission would be elected by the people, while the district governing board would be appointed, and this commission believes that power to appoint the Board of Trustees should be placed in the elected body, the Durham County Unified Commission. We believe that a board which was itself appointed should not have the responsibility of appointing as important a body as the city schools' Board of Trustees. To make sure that the school unit is properly represented on the Board of Trustees, the charter provides that members of the Board must reside within the boundaries of the Durham City School Administrative Unit.

The proposed charter gives the Durham General Urban Services District governing board the power over the city schools' supplemental tax which was

formerly vested in the Durham City Council. The Durham County Unified Commission will approve other school budgets and fix all other school tax rates, including the county schools' supplemental tax. The charter also provides that the existing act which provides for an election upon the question of extension of the Durham city school boundaries to include areas newly annexed to the city shall apply to areas annexed to the Durham General Urban Services District.

The charter contains no provisions which specifically mention the Durham County School Administrative Unit, since a study of the applicable laws indicated that none was necessary to ensure unchanged operation of the county system. The Unified Commission simply replaces the board of county commissioners for county school purposes.

Health

The present general law providing for the organization of a county board of health provides that the membership shall include the mayor of the county seat town and the mayor of any other incorporated city in the county having a population in excess of 15,000. Under our proposed plan, G.S. 130-13 would be amended to provide that the chairman of the general urban services district embracing the area now within the corporate limits of Durham shall be deemed to be the mayor of the city which is the county seat of Durham County.

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No other change would be made in the powers of the county board of health, or in the relationship between the county board of health and the governing body of the county.

Welfare

No change whatsoever has had to be made in defining the membership of the board of welfare, the powers of such board, or the relationship of the board to the governing body of the county. The Unified Commission simply replaces the board of county commissioners.

Administering Unified Government: Other Traditional County Functions

The only change in the administration of other traditional county functions is the same as applies to health, welfare and education: the Unified Commission simply replaces the present board of county commissioners as the county governing board. The second section of this report, dealing with the organization of the unified government, notes some minor changes in the power to appoint officials charged with responsibility for civil defense, the county home-farm, veterans affairs, and building regulation. Apart from these changes, present county employees will continue to be appointed by, and supervised by, the same officials who appoint and supervise them today.

Administering Unified Government: Planning and Land Use Control

Under existing law the City of Durham and Durham County both have the power to plan for the physical development of land within their boundaries, to plan for the provision of necessary services to areas within their boundaries, to enact zoning and subdivision control ordinances, and to enact building, plumbing and electrical regulations. Both units of govern-

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ment have special agencies charged with planning responsibilities and with responsibility to carry out and enforce ordinance provisions.

The charter simply takes all of these powers currently held by both governments and vests them in the Unified Commission. And instead of two sets of planning and enforcement agencies, the charter provides for one set of such agencies.

Therefore, effective July 1, 1961, the charter provides for a new nine-member Durham County Unified Planning Board with members serving for five-year staggered terms to take over all planning functions. Initially the membership would consist of four members appointed by the city council (these members may be the present members of the Durham Planning and Zoning Commission) and five members appointed by the board of county commissioners (these members may be the present members of the Durham County Zoning Commission). Thereafter all appointments to the planning board as vacancies occur would be made by the Unified Commission.

The present city and county zoning ordinances would remain in effect until such time as the Unified Commission adopted a new county-wide ordinance, and the present boards of adjustment would remain as constituted until such a county-wide ordinance is adopted.

But the major change in the general area of planning would not be the substitution of one set of ordinances for two. The major change would be the ability of the unified government to plan for all phases of governmental service to rapidly-developing parts of the county: (1) to coordinate utility extension and street planning and school location and fire protection with the subdivision of land for residential purposes; (2) to coordinate water supply and sewage disposal services with new development efforts so

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that land being opened up for industrial, commercial or residential uses is provided service to fit the use; (3) to coordinate financial policy with service needs and plans for land use so that the costs of government can be kept to a level consistent with the amount and location of new development; (4) to coordinate all governmental activities with the efforts of private developers so that Durham County, as it grows, will remain an attractive, convenient and soundly conceived urban community.

The unified government would also take over all powers for urban redevelopment and renewal now held by the City Council, but administration of particular projects would continue to be the responsibility of the Urban Redevelopment Commission.

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We have emphasized throughout the significance that expansion and extension of the water and sewer systems has for the future in Durham County.

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...Yet, even with adequate services, Durham County can suffer, if it permits need to fix demand, and if it attempts to meet demand wherever it exists.

> ...Potential demand in terms of consumers served, area served, and economic uses served must be balanced against such factors as the probable sources for an expanded water supply, capabilities for satisfactory sewage disposal, and the systems of lines necessary to distribute water and collect waste.

Thus the goal of an adequate system equitably financed teeters crazily at present between two possibilities: (1) demand covering so large an area that the needed services cannot be provided, resulting in threats to health and safety and a stifling of new development; or (2) similar demands met at any price, resulting in overinvestment in utility systems, unnecessarily high taxes or service charges, and again a threat to the continuation of new development.

We cannot provide a blueprint for the expansion and extension of utility systems or for the financing of such systems. Our objective has been to give the unified government the powers necessary to administer one utility system for all of Durham County; to give that government all the essential powers for financing utility systems, whether it chooses to follow a pay-as-you-go policy or to supplement service charges with tax funds; to give that government the power to coordinate utility extension with land use regulation and other service policies so that the demands of new development can be kept in line with the ability of government to meet those demands.

In order to protect the present customers of the system, who have largely paid for the present system, the unified government would have the power to establish a system of service charges that would relate the cost

of new facilities to the charges paid by the consumer. The Unified Commission would also have the power to assess the cost of line extension against abutting property owners, or to require that those asking for line extension pay for those lines as a condition precedent to service.

We will be asked why financing of utility extensions was not made a function of the limited service districts. We considered this possibility. But our study of counties financing utility systems on a district basis as compared with counties financing extension of systems on a county-wide basis convinced us that the system of district financing is cumbersome, expensive and generally unwise. Counties with district systems tend to have (1) many inadequate small systems which cannot be easily tied into a county-wide system or which refuse to approve the additional financing necessary to provide area-wide water supply and sewage disposal systems; and/or (2) separate governments for these systems which encourage meeting new demands for service on a piecemeal basis and which fight for the status quo when conditions demand county-wide action.

We favor a county-wide system, supported by the entire county, planned for the entire county, and equitably financed by those primarily benefitted.

Law Enforcement

There are presently several law enforcement agencies operating within the boundaries of the county. Inside the city the city police department is primarily responsible; outside the city the sheriff's department is primarily responsible with assistance from the State Highway Patrol in traffic law enforcement and from the ABC officers in liquor law enforcement.

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As the county continues to grow in population and to become more urban in nature, the need for more specialized law enforcement functions will grow. A subcommittee of this Commission gave particular attention to this problem, and the ways in which it might be met under the existing governmental structure. Its study noted that the present city department has the strength, the facilities and the training demanded for urban law enforcement today, that the sheriff's department confines the major portion of its activities to the constitutional duties of the sheriff in civil law administration, and that the best long-range solution to the need for a higher level of law enforcement activities throughout the county would be to create a single county-wide law enforcement agency similar to the present city department.

The theory and practice of unified government necessarily results in the present city police department becoming a part of the unified government department having county-wide jurisdiction. This step in itself would strengthen the work of the present city department in removing the present limited territorial jurisdiction of the city police, so that violators of motor vehicle laws could be arrested more easily anywhere in the county for violations inside present city boundaries and so that any person committing a crime within the present city boundaries could be more easily arrested anywhere in the county. It would also make possible a single and complete criminal records system for the county, and similar systems of radio and identification bureau services within the county.

This action would not affect the constitutional authority of the sheriff. He and his deputies would continue as at present to devote the

major portion of their attention to civil law administration, including such activities as the service of process. They would continue to be responsible for the handling of prisoners, the operation of the jail, and other activities in connection with the administration of criminal courts. Although they would continue to have authority to take other actions in respect to law enforcement, however, they would not be confronted with the necessity for planning and providing the greatly increased level of police patrolling and similar services which will necessarily result from rapid urbanization of the county. The County Unified Commission, the county unified manager, and the county unified police department would have primary responsibility for dealing with this problem.

Without attempting to specify the details of organization and administration that must come from the Unified Commission, the county manager, the police chief, and the sheriff, we anticipate the following general division of activities in law enforcement upon unification.

1. The sheriff would concentrate his efforts on civil law administration and would cooperate with the unified police department in the performance of related criminal law functions.

2. The unified police department would have primary responsibility for furnishing police services to the county. Officers in the new department would have county-wide jurisdiction.

3. The Unified Commission would make appropriations to the sheriff's department and to the unified police department for county-wide services.

4. The general urban services district would finance additional police services within district boundaries. These services would be furnished by the unified police department under contract. They would probably include most of the specialized patrols required in urban areas, the traffic law enforcement required in urban areas, and other such specialized activities. Administrative expenses for the operation of the new department would be allocated between the county unified and the district as part of the contract.

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5. The Unified Commission would provide in the annual budget for coordination of communication systems, records systems and identification services, so that two sets of such systems would not be necessary to serve one county.

6. The sheriff's department would continue to be responsible for the handling of prisoners, assistance to the criminal courts, and the administration of the county jail.

These proposals are in keeping with the spirit of law enforcement activities in Durham County today. As population growth and the problems incident to urban areas continue to increase, either the sheriff's department would eventually have to expand considerably its present law enforcement activities or the county would have to establish a separate police department, duplicating in large measure the city department. Under unification, there would be a single department for the unified government; county-wide communications, records, and identification systems would become possible immediately; and the unified department could expand its patrol activities outside the general urban services district as the Unified Commission deems necessary. At the same time, in the same spirit of cooperation which now characterizes the different agencies performing law enforcement functions outside the city today, the sheriff's department would continue its law enforcement responsibilities as a part of its civil law functions and in cooperation with the unified department, the State Highway patrol, and ABC enforcement officers.

If it wished, any limited urban services district could contract with the unified government for special police patrolling services.

Administering Unified Government: Fire Protection

Under the proposed charter the present city fire department would become an agency of the unified government with county-wide jurisdiction.

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Because, however, a high level of fire protection can be provided only where public water systems are available, most of the specialized fire protection services with paid companies using specialized equipment would have to continue to be provided in urban areas under contract with the general urban services district.

At the present time fire protection outside the city is provided largely with equipment and personnel paid for by the county and administered by the city department. Calls from outside the city are answered by this equipment, and also by city-owned equipment if available. Upon unification, the same system could continue except that administration would be the responsibility of the unified government. The present fire stations and equipment would remain where they are with present duties and responsibilities.

In looking to the future, however, several things may change. Some localities remote from the city may decide, as Bahama has decided, that local rural departments are necessary to provide prompt protection services. These departments may require additional equipment and full-time personnel. The Unified Commission may decide that county-wide inspection, communications and training services are desirable. Continued urban growth may necessitate new paid departments in areas removed from the present urban area.

As conditions change it would be the responsibility of the county fire department to (1) plan for improvement of fire services everywhere in the county, (2) work with local communities in establishing local fire departments and, where necessary, to recommend creation of limited service districts where a community wishes to finance a level of fire protection not possible

under the county-wide level of service, (3) recommend modifications in the boundaries of limited service districts in order to ensure that services are being provided as effectively as possible; (4) recommend as needed the establishment of county-wide communications, inspection, fire prevention and training activities.

As in the case of other functions which must respond to the unpredictable demands of new development, it is not possible to state where services will have to be provided or under what conditions. But the Unified Commission has been given broad powers to make different levels of fire protection available where needed, and to provide for the financing of such levels of service.

Administering Unified Government: Streets and Highways

Over the last forty years the State of North Carolina has worked out a basic policy for the construction and maintenance of streets and highways in North Carolina which is well accepted throughout the State. The system is in effect a state-city system, with the county governments having only limited advisory powers with respect to administration of the secondary highway system.

Because the policy is built around a complex division of responsibilities between the State and city governments in urban areas, we have decided that unification should not include expansion of the unified government's jurisdiction to include county-wide responsibility for construction and maintenance of all non-primary system streets and highways. We believe that the general urban services district should retain the same general

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responsibilities for street planning, construction and maintenance that are held by the City of Durham, and that the district should be deemed to be a "municipality" for these purposes. But, consistent with the principles of unification, public works activities should be administered by the unified government, and construction and maintenance of streets and highways should be performed by the unified government under contract with the district.

The fact of unification suggested some modifications of the present system which we believe will, in the future, improve street and highway planning and administration. These are:

1. Because the Unified Commission is the only elected legislative body in the county, and because it has been given responsibility for planning, and because it will administer all street functions, we believe that it should approve all contracts and agreements between the general urban services district and the State Highway Commission entered into by the district in its role as a municipality for street and highway purposes.

2. Because all regulatory power is vested in the Unified Commission, the power to regulate the use of streets and highways should be exercised by the Commission to the same extent that an incorporated city may regulate the use of streets within city boundaries. But in order to keep regulation consistent with functional responsibility, the Commission's power to regulate the use of streets should be limited to the boundaries of the general urban services district, with the State Highway Commission continuing to exercise its present regulatory authority over the streets under its jurisdiction outside the district.

3. Because the unified government will be interested in the development of thoroughfares throughout the county, and because the State Highway Commission is limited in its ability to acquire all needed rights-of-way in advance of construction, the Unified Commission should have the power in its discretion to agree with the State Highway Commission to acquire rights of way for State Highway System highways in the county to the same extent that incorporated cities may now do so.

4. To the extent that an incorporated city may now regulate the installation of pipes, poles and other fixtures in, on or above a street constructed from local funds, the Unified Commission should have that power.

5. Because future development of land may take place at some distance from the urban area and prior to incorporation of such land in the general urban services district, the Unified Commission should have the same power as the general urban services district to cause street and drainage improvements to be made by assessment of the cost against abutting property owners.

The general services district would also be deemed to be a "municipality" for purposes of participating in the distribution to municipalities of a portion of the state motor fuels tax (the Powell Bill funds).

Thus there would be no change in the method of financing street and highway construction and maintenance that is now in effect in Durham County. But the Unified Commission, as the primary legislative body in the county, would exercise all the regulatory powers now vested in the city council, would join in the adoption of major thoroughfare plans by the district and the State Highway Commission, and would administer all street services requested by the general urban services district.

Administering Unified Government: Other Primarily Urban Services

There are a number of other city services whose administration would become a function of the unified government. These include recreation, garbage collection and disposal, and cemeteries. No major problems have been encountered in providing for these services.

Recreation

At the present time the Durham City Council has the permissive authority, approved by a vote of the people, to levy a tax of up to 10¢ on each $100 of property valuation for the support of recreation services in the city. The charter provides that this permissive authority would continue to be held by the governing board of the general urban services district.

Upon unification all recreation services presently provided in the city could continue to be provided as requested by the general urban services district board. The present city recreation department would become an agency of the unified government, and its activities would be limited to the contractual services for the district until such time as the Unified Commission made funds available for county-wide recreation services, or until a limited urban services district contracts for service.

Garbage Disposal and Collection

The present garbage collection and disposal functions of the city would be taken over by the unified government. Tax-supported garbage collection would continue to be provided only within the general urban services district as the governing board of that district would determine. Limited service districts would have the authority to contract with the unified government for tax-supported garbage collection. The unified government could, if it chose, arrange to provide either collection or disposal service by contract with individual property owners not receiving tax-supported services.

Cemeteries

The unified government would administer all cemetery facilities and services as requested by the general urban services district in the annual contract.

Administering Unified Government: Libraries

The subcommittee studying library services in Durham County recommended that upon unification the two boards of trustees presently administering library services in the county should be merged into one board with

responsibility for both libraries. This recommendation is incorporated into the charter.

At the present time financial responsibility for library services is shared by the city and the county. We believe that the general urban services district, upon unification, would have to continue to provide some financial support for library services in consideration of the location of the libraries in the urban area. An adequate level of service probably depends on such support until such time as the county voters approve permissive authority for tax-supported library services.

Administering Unified Government: General Administration

Our description of the proposed organization for the unified government called attention to the fact that in the transition from the present structure to unification, similar administrative agencies in the city and the county governments would have to be brought together into a unified administrative structure.

We do not propose to infringe on the prerogatives of either the first Unified Commission or the unified manager in saying how this organization of unified government should be carried out. In accordance with the provisions of the enabling act, we have provided that every person now employed for performance of these functions should, upon unification, receive employment in the unified government at a salary or compensation at least equal to that he received from the city or county. With this protection afforded to individuals, we believe that the Unified Commission and the unified manager should be free to distribute responsibilities for

finance administration, personnel administration, and general maintenance services as they deem best for effective overall administration.

The charter provides for a county clerk, a county attorney, a county tax supervisor, and a county collector of taxes, all of whom would be appointed by the Unified Commission. Only in the case of organizing the operations of the collector of taxes would two agencies have to be brought together into one.

A few general points should be made with respect to provisions in the charter.

Tax Administration

The charter provides for no change in the procedures for listing, assessing and collecting property taxes from the procedures now in effect in Durham County. The only change in organization would be that the unified collector of taxes would be responsible for the functions now performed by the present city and county collectors.

We have given the Unified Commission permissive authority which it may exercise in its discretion. First, the Commission is given authority to vest responsibility for all property tax functions in one official instead of two, so that there would be only one appointed official responsible to the Commission for the listing, assessing and collection of taxes. Or, if the Commission finds its own duties with respect to serving as the county board of equalization and review too exacting when considered with the other functions of a governing board, it is given charter authority to appoint a board of tax supervision, consisting of three members appointed for three-year staggered terms. This board, if created, would have

responsibility for all property tax listing, assessing and collection in the county, and would assume all powers given boards of county commissioners with respect to the property tax except determination of the county tax rate and adoption of the assessment ratio. The board of tax supervision would have the power to appoint the tax supervisor and collector of taxes and to supervise their activities.

Personnel Policies

As the study of personnel administration in the city and county demonstrated, there are not any major differences between the personnel provisions governing the recruitment, classification, pay, working conditions, and retirement of employees in the city as compared with the county. Subject, of course, to the provisions of the Merit System Council with respect to health, welfare and civil defense employees, and subject to special act provisions concerning supplementary retirement benefits for some law enforcement officers and firemen, the Unified Commission would have broad powers to fix uniform policies concerning the recruiting, classification, pay, working conditions and retirement of all unified employees.

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VI. Transition Provisions

In proposing a change in governmental structure to the people of Durham County, we have recognized that if the change is approved, it cannot be put into effect overnight.

The first Unified Commission would have many more responsibilities than either the present board of county commissioners or city council. It should have the opportunity to prepare for those responsibilities. The first county unified manager would have more responsibilities than either the present county manager or city manager. He should have the opportunity to prepare for those responsibilities. Many of the existing departments of the present city government would have to adjust themselves to wider jurisdiction and a somewhat different method of administering services for urban areas. Each of these departments should have an opportunity to prepare for this adjustment.

Our study of governmental reorganization in other communities in this country disclosed that the period of transition to a new form of organization is a critical period. Time must be allowed for careful study and preparation so that the transition will be smooth. Insofar as possible, the basic steps in the transition should be planned in advance and communicated to every person involved so that there will be no misunderstandings. And the community at large should be kept informed as to the plans for making the transition so that there will be no misunderstanding as to the steps involved.

We have prepared a recommended schedule for the transition to unified government which gives ample opportunity for this prior preparation but

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which also ensures that unification will come into effect as quickly as practicable.

The January Election

The legislative act which established this Commission requires that the people of Durham County vote on the plan recommended by this Commission prior to February 1, 1961. Specific provision is made in the act for completion of a draft of the charter 14 days prior to a public hearing to be held by the Commission on its recommended course of action, for receiving opinions on the charter at the hearing, and for forwarding of the completed charter to the Durham County Board of Elections. Upon receipt of the charter, the County Board of Elections is required to fix the date for the election.

We have conferred informally with the County Board of Elections, and it is anticipated that the hearings will be held on December 7 and that the election will be called for January 28, 1961. This date will, we believe, give the voters of Durham County ample time to study the plan and the charter and to inform themselves on the reasons we have recommended unification.

If the plan is approved by a majority of the voters of Durham County on January 28, 1961, the recommended schedule for transition to unified government which is incorporated into the charter would go into effect.

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Action Required by the 1961 General Assembly

In the act providing for the Durham City-County Charter Commission, the General Assembly delegated to this Commission the power to draft a charter which would, upon approval by a majority of the voters of Durham County, become law on July 1, 1961.

As soon as possible following the convening of the 1961 General Assembly, we propose to work through the legislative representatives of Durham County to submit the unified charter to the General Assembly for its ratification. We have two reasons for this procedure:

1. The effective date of the charter under the enabling act would be July 1, 1961. In order to provide for an orderly transition to unified government, we have proposed that the first Unified Commission be elected in May of 1961, to take office on the first Monday in December, 1961. The members of the Commission would have the six months in between to make plans for their new duties. In order for the election to be held in May, 1961, the General Assembly would have to make the effective date of the charter earlier than July 1, 1961.
2. We believe that ratification of the charter will avoid any possibility of a legal attack on unification on purely technical grounds. As we have noted before, we have no question in our minds concerning the general power of the General Assembly to enact this legislation. Neither is there any question in our minds concerning the power of the General Assembly to delegate to this Commission the power to draft the charter. But if

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ratification by the General Assembly will clear up technical questions, then we want them cleared up. There is no need for unnecessary law suits.

Election of the First Unified Commission

We are proposing that the members of the Unified Commission be first elected in May of 1961 for the following reasons:

1. We believe that the members should have several months to study the proposed charter before taking office. Since the first Commission would, under our plan, take over the functions of the board of county commissioners in December, 1961, then they should be elected earlier than the November date we suggest as the regular biennial election date.
2. Ordinarily there would be a biennial election of members of the Durham City Council in May of 1961. Since under our plan the city would become a general services district in July of 1962, we believe that it would be wise to eliminate the 1961 election, to permit members whose terms would expire in 1961 to continue to serve through June 30, 1962, and to permit the city council to fill any vacancies through appointment.
3. This procedure also eliminates the possibility of two local elections in 1961. We believe that if the plan is adopted, full attention should be concentrated on election of Unified Commission members.

Thus, if the people of Durham County approve unification, preparations for the election of the first Unified Commission can begin immediately. Any qualified voter of Durham County would be eligible for election to the Commission if he met the necessary residence requirements for members of the Commission. A member of the city council could run and, if elected, could continue to serve on the city council until December when he took office as a member of the Commission. Similarly a member of the board of county commissioners could run and, if elected, could continue to serve on the board until December when he took office as a member of the Commission.

Planning for Unification: June to December 1961

The period from the election in May until the members of the Commission took office in December would not be idle time. Between May, 1961, and July 1, 1962, much will have to be accomplished if unification is to become reality without unnecessary difficulties.

...The members of the Commission must become thoroughly familiar with the charter, their responsibilities under the charter, and the organization of the unified government.

...The members of the Commission must make some basic decisions concerning organization of the Unified Government so that they would be prepared to make appointment of the first county unified manager prior to or at the time of taking office in December, 1961.

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...Plans must be made for changing the formal designation of the county government in December, 1961, and for changing the formal designation of the city government in July, 1962.

...In Durham County today the county functions and the city functions are largely different, so that under our plan there would be a minimum of merging of two departments rendering the same services or performing the same function. Under the charter some administrative functions, such as finance and tax collection, would have to be brought together in the process of unification. This process will require careful advance planning. Similarly it will be necessary to review all existing ordinances and modify them for application through the unified government.

...Members of the Unified Commission would need to familiarize themselves with the operations of the city and the county so that they would be properly informed as to services provided everywhere in the county when the time comes to prepare the first unified budget in the spring of 1962.

Obviously the members of the Commission would not be able to handle all of this advance preparation personally. They would need help, more help than can be secured from administrative officials of the city and the county governments. We have provided, therefore, that they can arrange for special assistance for the duration of this period of transition. The form that assistance should take we leave up to the Commission. At this juncture it seems to us that one competent full-time advisor or attorney would be helpful and perhaps necessary for the period from May, 1961,

...Plans must be made for changing the formal designation of the county government in December, 1961, and for changing the formal designation of the city government in July, 1962.

...In Durham County today the county functions and the city functions are largely different, so that under our plan there would be a minimum of merging of two departments rendering the same services or performing the same function. Under the charter some administrative functions, such as finance and tax collection, would have to be brought together in the process of unification. This process will require careful advance planning. Similarly it will be necessary to review all existing ordinances and modify them for application through the unified government.

...Members of the Unified Commission would need to familiarize themselves with the operations of the city and the county so that they would be properly informed as to services provided everywhere in the county when the time comes to prepare the first unified budget in the spring of 1962.

Obviously the members of the Commission would not be able to handle all of this advance preparation personally. They would need help, more help than can be secured from administrative officials of the city and the county governments. We have provided, therefore, that they can arrange for special assistance for the duration of this period of transition. The form that assistance should take we leave up to the Commission. At this juncture it seems to us that one competent full-time adviser or attorney would be helpful and perhaps necessary for the period from May, 1961,

until December, 1961, when the first county unified manager is appointed. And it may be desirable to retain this special assistance until unification is completed in the summer of 1962. To this end, we have provided that the board of county commissioners should include $20,000 in its budget for the fiscal year 1961-62 for the use of the Unified Commission in taking the necessary preliminary steps to unification.

Only one change would be made in the structure of government prior to December, 1961. We have provided in the charter for the Durham Unified County Planning Board to be appointed and take office on July 1, 1961. The board would have nine members, four of whom would be appointed by the city council and five by the board of county commissioners for five-year staggered terms. The Unified Commission would, of course, fill all future vacancies. But the county-wide planning function is so important that we did not believe that we should wait until December for the Planning Board to take office. For the first year, of course, the Planning Board would serve as the planning board for the City of Durham.

Assumption of County Functions: December 1961

On the first Monday in December, 1961, the members of the Unified Commission would take office and replace the board of county commissioners as responsible for all the functions of the present county government. The terms of office of the present members of the county board would expire, by charter provision, on that date. After December, 1961, the Unified Commission would be responsible for all present county functions, would have responsibility for preparation of the first county unified budget,

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would work toward perfecting the organization of the unified government, would prepare for the expansion of their responsibilities on July 1, 1962, and would prepare for the transformation of the city into a general services district on that date.

The charter provides that the Unified Commission should, by the first Monday in February, 1962, appoint the members of the first Durham General Urban Services District Board. Between February and July that board would have authority to meet together, to familiarize its members with existing city services, and to work with the Unified Commission in the preparation of the first general services district budget. The charter provides that its members would receive information, advice and assistance from the city manager and the administrative heads of city departments, and that any expenses of the members of the district board, prior to their taking office in July 1962, would be paid by the city.

Final Unification: July, 1962

Finally the charter provides that:

> On July 1, 1962, at 10:00 a.m., members of the governing board of the general urban services district shall take their oaths of office, and as of that time the existence of the City of Durham shall end, and the general urban services district shall come into existence. All officers and employees of the City of Durham shall at that time become officers and employees of Durham County Unified...

Provision is made in the charter for continuing all city ordinances in effect until superseded by Unified County ordinances, for ensuring that all valid city contracts shall continue in effect, for transferring part of the city debt to the unified government, for the disposition of city property, and for a final audit and disposition of the city's finances.

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VIII. Conclusion

This report concludes twelve months of intensive study and analysis by this Commission. The results of our deliberations are contained in this report and in the charter which would provide the foundation for unification. We recommend them both to the people of Durham County for their earnest consideration.

Throughout this past year we have tried to keep uppermost in our minds the best interests of the people of the county, as the county enters upon a new phase in its long history. Any picture of the future is hedged with lines of "if's", but if all the forecasts of the future are even approximately correct, we have been concerned not only with the present generation but a new generation of new residents who as yet have not put their feet down on Durham County soil.

Again allowing for the "if's," the "but's" and the "maybe's," we see clearly that the future is going to bring substantial population growth to Durham County. Whatever the magnitude of that population increase (and doubling of the population in 20 years does not seem unlikely), more people will mean more homes and stores and factories in Durham County. Later more people will mean more schools and churches and highways and playgrounds and fire stations. More people will mean an increasing demand for more water, more waste disposal facilities, more police and fire protection, more public education, more care for the very old and the very young. And inevitably more governmental action means more governmental expenditures.

Our job has been to determine if the governments in Durham County are prepared to handle these demands, whatever their magnitude. Can the existing governments provide the services, build the facilities, protect

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Our job has been to determine if the governments in Durham County are prepared to handle these demands, whatever their magnitude. Can the existing governments provide the services, build the facilities, protect

the land, keep governmental expenditures in proportion to increased wealth and income without lowering service levels, and still insure that Durham in 1970, or 1980, is the type of community in which we will want to live?

We have concluded that the existing governments cannot -- by very reason of their independent status, their limited jurisdiction, and their mutually exclusive powers -- do the job that must be done throughout Durham County. We considered various alternatives to the present governmental structure, and we can express our general conclusion no more accurately than in this section from Part Two of this report:

> "After careful and deliberate analysis of Durham County, present and future -- of the opportunities for economic growth, of the governmental action needed to encourage that growth, and of the ability of the existing governmental units to provide the needed action -- this Commission has reached one inescapable conclusion:
>
> . . . .THAT THE FUTURE OF DURHAM COUNTY DEPENDS UPON STRONG, DYNAMIC, RESPONSIBLE AND RESPONSIVE GOVERNMENT, ACTING FOR ONE LAND AND ONE PEOPLE WITH A SINGLE VOICE AND TOWARD COMMON GOALS.
>
> And to make possible this objective, this Commission enthusiastically and unanimously recommends:
>
> . . . .THAT ALL GOVERNMENTAL UNITS AND FUNCTIONS IN DURHAM COUNTY BE UNIFIED UNDER A SINGLE GOVERNING BOARD REPRESENTATIVE OF ALL THE PEOPLE AND DEDICATED TO THE DEVELOPMENT OF THE ENTIRE COUNTY AS A SINGLE COMMUNITY."

We noted generally in Part Two those things which we thought unification would accomplish. We have expanded on the details of the plan in this part of the report. We have translated our plan into statutory language so that it might serve as the charter for Durham County Unified. We have studied the plan from every conceivable point of view to assure ourselves that it is constitutionally valid, administratively practical, and politically responsible.

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We believe:

. . . .That the Unified Commission would be more representative of, and more responsible to, the people of Durham County than are the present two governmental units.

. . . .That unification would result in better services for the same money, in smaller capital investment to achieve the same ends, and in a fairer distribution of the costs of government than under the present structure.

. . . .That even though there would be an initial small county tax increase (and a correspondingly small city tax decrease), unified government would in the next decade, the next two decades, save millions of dollars which might otherwise be spent by Durham taxpayers and residents for duplicating facilities.

. . . .That with one legislative body coordinating planning, legislative policy, and administration, Durham County has the opportunity to demonstrate in dramatic fashion that an urban community can get behind one effective area-wide government rather than splitting up into many, autonomous, ineffective governments.

These things we believe.

We don't, however, ask that the people accept them on faith. If we had, we would not have gone to the trouble of presenting this detailed report. We would not be willing, as we are, to meet the people of Durham County at any time to discuss any aspect of this plan. We would not anticipate, as we do, the opportunity to hear your views at the public hearings and to see if there is something we have missed that will strengthen the plan.

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We ask just one thing. We ask that every voter accept responsibility to study this report and the accompanying charter carefully. We ask that each voter look at this community and weigh the pro's and con's of the status quo versus calculated change. We ask that each voter analyze the plan in terms of the best interests of the people of Durham County, not alone his self-interest. And on the basis of that careful study, we look forward with confidence to the judgment of an informed electorate on January 28, 1961.

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Appendix A

PRESENT OFFICIALS AND BOARDS OF CITY AND COUNTY OF DURHAM AND METHOD OF SELECTION UNDER PROPOSED UNIFIED COUNTY CHARTER

Durham County

Official or Board	Present Method of Selection	Proposed Method of Selection
I. Courts and Related Functions:		
1. Assistant solicitor, Superior Court	Appointed by county board	Appointed by Unified Commission
2. Clerk of Superior Court	Elected by Voters	Same
3. Judge, Recorder's Court	Elected by Voters	Same
4. Prosecuting Attorney, Recorder's Court	Elected by voters	Same
5. Clerk, Recorder's Court	Elected by Voters	Same
6. Judge, County Civil Court	Appointed by Governor	Same
7. Clerk, County Civil Court	Clerk of Superior Court serves ex-officio	Same
8. Judge, Juvenile Court	Elected by county board.	Elected by Unified Commission
9. Register of Deeds	Elected by Voters	Same
10. Sheriff	Elected by Voters	Same
11. Constables	Elected by voters	Same
12. Deputies for Clerk of Superior Court, Register of Deeds, Clerk of Recorder's Court, and Sheriff.	Appointed by elected official; number of personnel and salary scales set by county board.	Same
13. Coroner	Elected by Voters	Same
14. Medical Examiner	Appointed by county board; duties now performed by coroner	Same

Appendix A

PRESENT OFFICIALS AND BOARDS OF CITY AND COUNTY OF DURHAM AND METHOD OF SELECTION UNDER PROPOSED UNIFIED COUNTY CHARTER

Durham County

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4. Prosecuting Attorney, Recorder's Court	Elected by voters	Same
5. Clerk, Recorder's Court	Elected by Voters	Same
6. Judge, County Civil Court	Appointed by Governor	Same
7. Clerk, County Civil Court	Clerk of Superior Court serves ex-officio	Same
8. Judge, Juvenile Court	Elected by county board.	Elected by Unified Commission
9. Register of Deeds	Elected by Voters	Same
10. Sheriff	Elected by Voters	Same
11. Constables	Elected by voters	Same
12. Deputies for Clerk of Superior Court, Register of Deeds, Clerk of Recorder's Court, and Sheriff.	Appointed by elected officials; number of personnel and salary scales set by county board.	Same
13. Coroner	Elected by Voters	Same
14. Medical Examiner	Appointed by county board; duties now performed by coroner	Same

II. Administrative Officials:			
1.	County Manager	Appointed by county board	Appointed by Unified Commission
2.	County Attorney	Appointed by county board	Appointed by Unified Commission
3.	County Clerk	Duties performed by county manager	Appointed by Unified Commission
4.	Tax Supervisor	Appointed by county board	Appointed by Unified Commission
5.	Collector of Taxes	Appointed by county board	Appointed by Unified Commission
6.	Treasurer	Elected by voters	All financial functions to be performed under supervision of county unified manager according to organization approved by Unified Commission
7.	Accountant	Appointed by county board; duties now performed by county manager	
8.	Purchasing Agent	Appointed by county board; duties now performed by county manager	
III. Planning and Inspection:			
9.	Zoning Commission	Appointed by county board	Duties taken over by Planning Board to be appointed by Unified Commission
10.	Zoning Administrator	Appointed by county board	Function to be performed under supervision of county unified manager according to organization approved by Unified Commission
11.	Board of Adjustment	Appointed by county board	Duties taken over by county-wide board of adjustment to be appointed by Unified Commission

II. Administrative Officials:

1. County Manager	Appointed by county board	Appointed by Unified Commission
2. County Attorney	Appointed by county board	Appointed by Unified Commission
3. County Clerk	Duties performed by county manager	Appointed by Unified Commission
4. Tax Supervisor	Appointed by county board	Appointed by Unified Commission
5. Collector of Taxes	Appointed by county board	Appointed by Unified Commission
6. Treasurer	Elected by voters	All financial functions to be performed under supervision of county unified manager according to organization approved by Unified Commission.
7. Accountant	Appointed by county board; duties now performed by county manager	
8. Purchasing Agent	Appointed by county board; duties now performed by county manager	

III. Planning and Inspection:

9. Zoning Commission	Appointed by county board	Duties taken over by Planning Board to be appointed by Unified Commission
10. Zoning Administrator	Appointed by county board	Function to be performed under supervision of county unified manager according to organization approved by Unified Commission
11. Board of Adjustment	Appointed by county board	Duties taken over by county-wide board of adjustment to be appointed by Unified Commission

12.	Building inspector	None	All inspection officials to be appointed by county manager according to organization approved by Unified Commission
*13.	Electrical inspector	Appointed by county board on recommendation of manager	
14.	Plumbing inspector	" " " " " " "	

IV. Health, Welfare and Education:

1.	Board of Health	By general law consists of chairman of board of county commissioners, mayor of Durham, County superintendent of schools, and four members (including licensed physician, pharmacist and dentist) elected by such ex officio members.	Same, except that Chairman of Durham General Urban Services District will replace Durham mayor.
2.	County health director	Appointed by county board of health	Same
3.	All employees of health department	Appointed by county health director subject to provisions of Merit System Council	Same
4.	Board of Welfare	By general law, county board appoints one member, State Board of Public Welfare appoints one member, and these two appoint a third member.	Same
5.	County welfare superintendent	Appointed by county board of welfare subject to merit system regulations	Same
6.	All employees of welfare department	Appointed by county welfare superintendent subject to merit system regulations	Same

12. Building inspector	None	All inspection officials to be appointed by county manager according to organization approved by Unified Commission
13. Electrical inspector	Appointed by county board on recommendation of manager	
14. Plumbing inspector	" " " " " "	

IV. Health, Welfare and Education:

1. Board of Health	By general law consisting of chairman of county commissioners, county superintendent of schools, and four members (including licensed physician, pharmacist and dentist) elected by such ex officio members.	By general law, except that chairman of Durham board of county commissioners, mayor of Durham, County superintendent of schools, and four members (including licensed physician, pharmacist and dentist) elected by such ex officio members. Durham mayor.
2. County health director	Appointed by county board of health	Same
3. All employees of health department	Appointed by county health director subject to provisions of Merit System Council	Same
4. Board of Welfare	By general law, county board appoints one member, State Board of Public Welfare appoints one member, and those two appoint a third member.	Same
5. County welfare superintendent	Appointed by county board of welfare subject to merit system regulations	Same
6. All employees of welfare department	Appointed by county welfare superintendent subject to merit system regulations	Same

7.	Director of hospitalization	Appointed by county board on recommendation of manager	Appointed by Unified Commission
8.	County home superintendent	Appointed by county board on recommendation of manager	Appointed by county unified manager
9.	County board of education	Elected by General Assembly	Same
10.	County school superintendent	Appointed by county board of education	Same
11.	School system employees	Appointed by county board of education on recommendation of district committees.	Same

V. Other County Functions:

1.	Board of Elections	Appointed by State Board of Elections	Same
2.	ABC Board	Three-member board jointly chosen by county board of commissioners, board of health and board of education	Same, except that Unified Commission replaces county board.
3.	ABC law enforcement officers	By County ABC Board	Same
4.	Raleigh-Durham Airport Authority	Cities of Durham and Raleigh and Counties of Durham and Wake each appoint two members	Durham County Unified Commission to appoint four members
5.	Durham Public Library Board of Trustees	Board chosen jointly by county board of commissioners and city council	Board to be chosen by Unified Commission
6.	Stanford L. Warren Public Library	Board chosen jointly by county board of commissioners and city council	Duties of this board to be merged with Durham Public Library, under one board

7. Director of hospitalization	Appointed by county board on recommendation of manager	Appointed by Unified Commission
8. County home superintendent	Appointed by county board on recommendation of manager	Appointed by county unified manager
9. County board of education	Elected by General Assembly	Same
10. County school superintendent	Appointed by county board of education	Same
11. School system employees	Appointed by county board of education on recommendation of district committees.	Same

V. Other County Functions:

1. Board of Elections	Appointed by State Board of Elections	Same
2. ABC Board	Three-member board jointly chosen by county board of commissioners, board of health and board of education	Same, except that Unified Commission replaces county board.
3. ABC law enforcement officers	By County ABC Board	Same
4. Raleigh-Durham Airport Authority	Cities of Durham and Raleigh and Counties of Durham and Wake each appoint two members	Durham County Unified Commission to appoint four members
5. Durham Public Library Board of Trustees	Board chosen jointly by county board of commissioners and city council	Board to be chosen by Unified Commission
6. Stanford L. Warren Public Library	Board chosen jointly by county board of commissioners and city council	Duties of this board to be merged with Durham Public Library, under one board

7.	Memorial Stadium Authority	Authority members chosen by county board	Appointed by Unified Commission
8.	Boxing and Wrestling Commission	Commission members chosen by county board	Commission members appointed by Unified Commission
9.	Peace Officers' Protective Association	Consists of chairman of board of county commissioners, sheriff, chief of police, chairman of city council public safety committee, and two members of association elected by membership	
10.	Farm agent	Appointed by county board on recommendation of Agricultural Extension Service	Unified Commission appoints
11.	Home demonstration agent	Appointed by county board on recommendation of Agricultural Extension Service	Unified Commission appoints
12.	Veterans Service officer	Appointed by county board on recommendation of manager	Appointed by county unified manager
13.	Civil Defense	Director chosen jointly by county board and city council	Appointed by county unified manager

7. Memorial Stadium Authority	Authority members chosen by county board	Appointed by Unified Commission
8. Boxing and Wrestling Commission	Commission members chosen by county board	Commission members appointed by Unified Commission
9. Peace Officers' Protective Association	Contacts of chairman of board of county commissioners, sheriff, chief of police, chairman of city council public safety committee, and two members of association elected by membership	
10. Farm agent	Appointed by county board on recommendation of Agricultural Extension Service	Unified Commission appointe
11. Home demonstration agent	Appointed by county board on recommendation of Agricultural Extension Service	Unified Commission appointe
12. Veterans Service officer	Appointed by county board on recommendation of manager	Appointed by county unified manager
13. Civil Defense	Director chosen jointly by county board and city council	Appointed by county unified manager

City of Durham

Official or Board	Present Method of Selection	Proposed Method of Selection
I. Administrative:		
1. City Manager	Appointed by city council	Duties taken over by county unified manager
2. Auditor	Appointed by city council	Duties taken over by finance department officials appointed by unified county manager
3. Collector of Revenue	Appointed by city council	Duties taken over by county unified collector of taxes
4. City Attorney	Appointed by city council	Duties taken over by county unified attorney
5. Clerk-Treasurer	Appointed by city council	Duties taken over by county unified clerk (and finance officials)
6. Purchasing agent	Appointed by city manager	Duties taken over by finance department officials appointed by county unified manager
II. Boards:		
1. Planning and Zoning Commission	Appointed by city council	Duties taken over by County Unified Planning Board
2. Board of Adjustment	Appointed by city council	Duties taken over by County Unified Board of Adjustment
3. Subdivision Review Board	Appointed by city council	Duties taken over by County Unified Planning Board
4. Housing Authority	Appointed by mayor	Appointed by Unified Commission

City of Durham

Official or Board	Present Method of Selection	Proposed Method of Selection
I. Administrative:		
1. City Manager	Appointed by city council	Duties taken over by county unified manager
2. Auditor	Appointed by city council	Duties taken over by finance department officials appointed by unified county manager
3. Collector of Revenue	Appointed by city council	Duties taken over by county unified collector of taxes
4. City Attorney	Appointed by city council	Duties taken over by county unified attorney
5. Clerk-Treasurer	Appointed by city council	Duties taken over by county unified clerk (and finance officials)
6. Purchasing agent	Appointed by city manager	Duties taken over by finance department officials appointed by county unified manager
II. Boards:		
1. Planning and Zoning Commission	Appointed by city council	Duties taken over by County Unified Planning Board
2. Board of Adjustment	Appointed by city council	Duties taken over by County Unified Board of Adjustment
3. Subdivision Review Board	Appointed by city council	Duties taken over by County Unified Planning Board
4. Housing Authority	Appointed by mayor	Appointed by Unified Commission

5.	Urban Redevelopment Commission	Appointed by city council	Appointed by Unified Commission
6.	Recreation Advisory Board	Appointed by mayor	Appointed by Unified Commission
7.	Airport Authority	City Council presently appoints two of eight authority members	City appointments to be made by Unified Commission
8.	Board of Education	Appointed by city council	Appointed by Unified Commission
9.	City School Superintendent	Appointed by board of education	Same
10.	School system employees	Appointed by board of education on recommendation of superintendent	Same
11.	Board of Electrical Examiners	Appointed by city council	Appointed by Unified Commission
12.	Board of Plumbing Examiners	Appointed by city council	Appointed by Unified Commission
13.	Firemen's Relief Fund	Two of five members appointed by mayor and council	Two of five members appointed by Unified Commission
14.	Durham Firemen's Supplemental Retirement Fund	Appointed by city council	Appointed by Unified Commission

III. Other Functions:

All other department heads are presently appointed by the city manager, and under the proposed charter, the heads of all departments transferred to the county unified government from the city would be appointed by the county unified manager. Included would be department heads for police and fire protection, all public works and public utilities activities (streets, sanitation, traffic control, water and sewer, inspections, cemeteries), recreation, and general services (printing, garage, radio maintenance, buildings and grounds).

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5. Urban Redevelopment Commission	Appointed by city council	Appointed by Unified Commission
6. Recreation Advisory Board	Appointed by mayor	Appointed by Unified Commission
7. Airport Authority	City Council presently appoints two of eight authority members	City appointments to be made by Unified Commission
8. Board of Education	Appointed by city council	Appointed by Unified Commission
9. City School Superintendent	Appointed by board of education	Same
10. School system employees	Appointed by board of education on recommendation of superintendent	Same
11. Board of Electrical Examiners	Appointed by city council	Appointed by Unified Commission
12. Board of Plumbing Examiners	Appointed by city council	Appointed by Unified Commission
13. Firemen's Relief Fund	Two of five members appointed by mayor and council	Two of five members appointed by Unified Commission
14. Durham Firemen's Supplemental Retirement Fund	Appointed by city council	Appointed by Unified Commission

III. Other Functions:

All other department heads are presently appointed by the city manager, and under the proposed charter, the heads of all departments transferred to the county unified government from the city would be appointed by the county unified manager. Included would be department heads for police and fire protection, all public works and public utilities activities (street, sanitation, traffic control, water and sewer, inspections, cemeteries), recreation, and general services (printing, garage, radio maintenance, buildings and grounds).